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ABSTRACT

This hearing examines issues related to proposed legislation that would strengthen the capacity of the U.S. Department of Education Office of Educational Research and Improvement to deal with two widespread problems: (1) mismanagement, corruption and waste in non-instructional educational services resulting from the failure of governors, mayors, and school boards to exercise their policymaking and oversight powers; and (2) incompetence and blundering in curriculum development, including multicultural curricula that could improve performance and reduce drop-out in inner city schools. The hearing examines these problems as they occur in New York City. Testimony and prepared statements were received from: Noreen Connell, Executive Director of Educational Priorities Panel; Elizabeth Holtzman, Comptroller, City of New York; Argie K. Johnson, Deputy Chancellor of Instruction, New York City Board of Education; Bob Law, Director, Respect Yourself Youth Organization and Member of the Board, Education of People of African Ancestry; Stanley S. Litow, Deputy Chancellor for Operations, New York City Board of Education; Adelaide Sanford, New York State Regents; Ed Stancik, Special Commissioner of Investigation for the New York City School District; Major R. Owens, a Representative in Congress from the State of New York; and Donald M. Payne, a Representative in Congress from the State of New Jersey. (KRN)

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FIELD HEARING ON THE OFFICE OF EDUCATIONAL RESEARCH AND IMPROVEMENT [OERI]

ED 365 292

HEARING

BEFORE THE

SUBCOMMITTEE ON SELECT EDUCATION
AND CIVIL RIGHTS

OF THE

COMMITTEE ON EDUCATION AND LABOR
HOUSE OF REPRESENTATIVES

ONE HUNDRED THIRD CONGRESS

FIRST SESSION

HEARING HELD IN NEW YORK, NY, MARCH 8, 1993

Serial No. 103–18

Printed for the use of the Committee on Education and Labor

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Office of Educational Research and Improvement
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FIELD HEARING ON THE OFFICE OF EDUCATIONAL RESEARCH AND IMPROVEMENT [OERI]

MONDAY, MARCH 8, 1993

HOUSE OF REPRESENTATIVES,
SUBCOMMITTEE ON SELECT EDUCATION AND CIVIL RIGHTS,
COMMITTEE ON EDUCATION AND LABOR,
New York, NY.

The committee met, pursuant to notice, at 10 a.m., Room 305A-B-C, Federal Building Courthouse, 26 Federal Plaza, New York, New York, Hon. Major R. Owens, Chairman, presiding.

Members present: Representatives Owens and Payne.

Staff present: Maria Cuprill, Wanser Green, Laurence Peters.

Chairman OWENS. The hearing of the Subcommittee on Select Education and Civil Rights will come to order.

Today we are here to examine two recurring problems in the New York City school system.

Education, like all other functions in our complex modern society, can greatly benefit from the scientific approach to problem-solving. Research and development for the purpose of improving education, which is under the oversight responsibility of this committee, is as vital as research and development in the areas of defense, agriculture, commerce or health. Systematic investigation and study, along with controlled experimentation and adequate funding for demonstration projects, is both appropriate and highly desirable for the resolution of any problem related to education.

This hearing will focus on two widespread, recurring problems which could greatly benefit from increased Federal attention and resources. Problem one: Mismanagement, corruption and waste in non-instructional educational services results from failures in governance and management. When governors, mayors and school boards fail to use their policymaking and their oversight powers or when they misapply or squander these powers, they victimize the children and teachers in the classrooms.

In New York City, for several decades, there has been widespread discussion of abuses related to the custodian contracts, the bus transportation services and the purchasing practices authorized by the Board of Education. To date, no governmental body has acted decisively to eliminate this systematic stealing from the children of New York City.

Legislation proposed by this Subcommittee on Select Education and Civil Rights advocates the creation of an Institute for Governance and Management within the Office of Educational Research

and Improvement of the U.S. Department of Education. This Institute would provide Federal assistance to school boards, chancellors, superintendents, parent bodies and others concerned with educational policymaking and management as it relates to schools and school systems. One clear goal of the Institute would be the provision of Federal assistance for those seeking to eliminate practices which drain resources from the all important instructional component of local education agencies.

Problem number two which will be the subject for the second panel is: Incompetence and blundering in curriculum development. This is related to the agenda proposed for an Institute for the Education of At-Risk Students.

Among the activities authorized for this Institute would be Federal support for curriculum development which improves student performance and eliminates high drop-out rates in inner city schools. Large numbers of African-American educators and other leaders are advocating a curriculum of inclusion or a multicultural curriculum or ethnocentric curriculum to combat the problems of low self-esteem and low sense of self-worth among failing students. It is generally recognized that motivation constitutes more than half of the educational process. It is also universally recognized that students with deficiencies in perceptions of their self-worth are seldom motivated to learn.

If these truths are self-evident, then the questions which cry out loudly for an answer are: Why have educators been so reluctant to develop such motivating curricula? What are the obstacles? Has racism among educators created an insurmountable barrier? Is the slowness in the development of such curricula due to a lack of technical competence? Is a curriculum of inclusion considered a frill, a luxury or is it a vital necessity? Does the absence of a curriculum of inclusion constitute miseducation or gross negligence? In order to overcome some of the obstacles to more creative curriculum development, is there a role for the Federal Government?

These are a few of the questions which an Institute for the Education of At-Risk Students will seek to answer. Across the Nation from Portland, Oregon to Omaha, Nebraska and the entire State of California there are examples of attempts to grapple with these questions.

In New York City, the Rainbow Curriculum has generated a tremendous amount of heat over the past few months. For the benefit of all concerned, and in order to refine the proposed legislation, the New York City curriculum development process should be closely examined. Local newspapers have charged that there was a considerable amount of incompetence and blundering in the production of the Rainbow Curriculum.

Of still greater importance is the question of delay and tardiness. Why has the school system serving the largest number of African American students in the Nation and also serving the most diverse student body in the Nation taken so long to issue its first multicultural curriculum guideline?

The mission statement of the Office of Educational Research and Improvement clearly indicates that its primary concern is the education of poor students like the majority of the students who attend New York City schools. Today's hearing in the City of New York

will greatly enhance the efforts of the Subcommittee on Select Education and Civil Rights to strengthen the operations of this vital component of the U.S. Department of Education.

[The prepared statement of Hon. Major R. Owens follows:]

STATEMENT OF HON. MAJOR R. OWENS, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF NEW YORK

Education, like all other functions in our complex modern society, can greatly benefit from the scientific approach to problem-solving. Research and development for the purpose of improving education is as vital as research and development in the areas of defense, agriculture, commerce and health. Systematic investigation and study along with controlled experimentation and adequate funding for demonstration projects is both appropriate and highly desirable for the resolution of any problem related to education.

This hearing will focus on two widespread, recurring problems which could greatly benefit from increased Federal attention and resources. Problem one: Mismanagement, corruption and waste in non-instructional educational services results from failures in governance and management. When governors, mayors and school boards fail to use their policymaking and their oversight powers; or when they misapply or squander these powers they victimize the children and teachers in the classrooms. In New York City, for several decades, there has been widespread discussion of abuses related to the custodian contracts, the bus transportation services and the purchasing practices authorized by the Board of Education. To date, no governmental body has acted decisively to eliminate this systematic stealing from the children of New York City.

Legislation proposed by this Subcommittee on Select Education and Civil Rights advocates the creation of an Institute for Governance and Management within the Office of Educational Research and Improvement of the U.S. Department of Education. This Institute would provide Federal assistance to school boards, chancellors, superintendents, parent bodies and others concerned with educational policymaking and management as it relates to schools and school systems. One clear goal of the Institute would be the provision of Federal assistance for those seeking to eliminate practices which drain resources from the all important instructional components of local education agencies.

Problem number two: Incompetence and blundering in curriculum development is related to the agenda proposed for an Institute for the Education of At-Risk Students. Among the activities authorized for this Institute would be Federal support for curriculum development which improves student performance and eliminates high drop-out rates in inner city schools. Large numbers of African-American educators and other leaders are advocating a curriculum of inclusion or a multicultural curriculum or an ethnic-centric curriculum to combat the problems of low self-esteem and a low sense of self-worth among failing students. It is generally recognized that motivation constitutes more than half of the educational process. It is also universally recognized that students with deficiencies in perceptions of their self-worth are seldom motivated to learn.

If these truths are self-evident, then the question which cries out loudly for an answer is: Why have educators been so reluctant to develop such motivating curricula? What are the obstacles? Has racism among educators created an insurmountable barrier? Is the slowness in the development of such curricula due to a lack of technical competence? Is a curriculum of inclusion considered a frill, a luxury or is it a vital necessity? Does the absence of a curriculum of inclusion constitute miseducation or gross negligence? In order to overcome some of the obstacles to more creative curriculum development, is there a role for the Federal Government?

These are a few of the questions which an Institute for the Education of At-Risk Students will seek to answer. Across the Nation from Portland, Oregon to Omaha, Nebraska and the entire State of California there are examples of attempts to grapple with these questions. In New York City, the "Rainbow Curriculum" has generated a tremendous amount of heat over the past few months. For the benefit of all concerned, and in order to refine the proposed legislation, the New York City curriculum development process should be closely examined. Local newspapers have charged that there was a considerable amount of incompetence and blundering in the production of the "Rainbow Curriculum." Of still greater importance is the question of delay and tardiness.

Why has the school system serving the largest number of African-American students in the Nation, and also serving the most diverse student body in the Nation, taken so long to issue its first multicultural curriculum guideline?

The mission statement of the Office of Educational Research and Improvement clearly indicates that its primary concern is the education of poor students like the majority of the students who attend New York City schools. Today's hearing in the City of New York will greatly enhance the efforts of the Subcommittee on Select Education and Civil Rights to strengthen the operations of this vital component of the U.S. Department of Education.

Chairman OWENS. For our opening panel, I'm pleased to welcome Mr. Stanley Litow, the Deputy Chancellor for the New York City Board of Education. Since Mr. Litow has a time problem, we'll take his testimony first.

In addition to Mr. Litow, other witnesses for this panel include Mr. Ed Stancik, the Special Commissioner of Investigation for the New York City School District.

Mr. Litow, we will take your testimony and ask you a few questions if you have time. You may begin.

STATEMENT OF STANLEY S. LITOW, DEPUTY CHANCELLOR FOR OPERATIONS, NEW YORK CITY BOARD OF EDUCATION, BROOKLYN, NEW YORK

Mr. LITOW. Thank you very much, Congressman Owens. Thank you for giving us this opportunity to discuss the management and operations of the New York City public schools.

I've had an opportunity to review the draft of the legislation and it certainly would go a long way toward providing information and dissemination of good practice around the school systems of this country.

New York City's public school system is by far the largest public school system in America. We are 300,000 students; larger than number two, Los Angeles. We have 1,000,000 pupils. We have 125,000 staff. We have 1,000 buildings.

To give you some sense of size, scope and problems, we have over 150,000 youngsters in the New York City public schools who are limited English proficient and 50,000 of them are limited English proficient in other than Spanish. We have received 125,000 new immigrant students in the New York City public schools just over the last 3 years and have not received one additional dollar in terms of emergency immigration assistance from the Federal Government. The $4.5 million that we have received this year and last year is the exact same sum of money that we received the year before and the year before that.

The structure that the Chancellor inherited when he got here in 1990 was developed for the Board of Education by the Economic Development Council, a business group that presented that structure in the year 1974. It was far too top-down. It had too many layers. It had 5,259 funded central head count positions and it had an administrative structure that cushioned decision-makers from the activities that took place in the field.

We currently spend—to give you a sense of how important it is to spend as little as possible administering the school system—$1,300 less than the statewide average to educate our children in the New York City public schools. That means it would take $1,300 per pupil or $1.3 billion just for us to rank 350th in the State in

terms of per pupil spending. In the middle 1970s, we were among the top 10 percent of funded school districts in the State; we are now in the bottom third of funding for school districts in the State. We spend less and consequently we get less.

We spend $100 per pupil less on the maintenance of our schools. We have well over 300 schools in New York City that are coal burning schools. We have extraordinary maintenance needs. When the Chancellor got here in 1990, there was a backlog of a half a billion dollars in maintenance requests and yet we spend $100 per pupil less to maintain our schools.

According to the State Education Department data, in the New York City public schools, we now spend 2.2 percent of our budget on administration. That is the lowest ratio spent on administration of all 700 districts in New York State. We have eliminated substantial numbers of central administrative head count positions from the New York City public schools. In January 1990, there were 5,259 positions. Just this month, we have 3,481 positions. Well over $50 million worth of central administration has been cut from the New York City public schools just over the last 3 years.

Approximately 60 percent of the remaining staff who work in central head count positions are devoted to mandated administrative functions. They either do audits on the State and Federal programs or they provide services to the non-public schools.

Substantial amounts of funds in the New York City public schools are pass through funds to the non-public schools. Very often you hear about the low administrative ratio in the non-public schools. Perhaps that's because we run their Chapter 1 programs and administer them. We run their school transportation programs and administer them. We run their school food programs and administer them. And we run their substance abuse prevention programs and administer them. Substantial numbers of people are on the payroll of the New York City public schools, are counted as part of our central administrative head count, but provide services and programs to the non-public schools.

In addition to the reduction in full-time positions, we did reduce expenditures for hourly employees in the same period by 11.5 percent and reduced the use of consultants in central headquarters operations by $6 million. We are in the process now of setting up head count controls for district administration and for the first time in the New York City public schools, have certified audits for the local community school districts as well as for the central administration.

The numbers we have provided have been audited but the best proof of the efforts that the Chancellor has made over the last 3 years is that two central administrative buildings in the Borough of Brooklyn have been emptied of administrators and turned back into public schools. I would urge you to visit 362 Schemerhorn Street or 347 Baltic Street and you will see that they are now school space rather than administrative space.

But the reductions in administrative spending and the comparisons between New York City and other school systems around the State and around the Nation are not enough. We have to look at what kind of innovations we have been able to do in this time of belt tightening.

We have taken about $800 million worth of budget cuts just in a three year period. A budget cut significantly larger than the cuts of the mid-1970s when, as you know, the New York City public schools laid off 14,000 teachers. And in the current budget difficulties, there were no layoffs whatsoever; there was no "bumping" of staff, no "excessing" of staff, and, by and large, service levels were held reasonably constant in spite of these serious budget reductions.

We now have 280 schools in New York City that are involved in School Based Management/Share Decision Making. One hundred and fifty of them have schoolwide projects under Chapter 1 which is the way that you're allowed to use Chapter 1 to provide services for all the children in a school building. Before 1990, we had one. One school in the entire City of New York that was a schoolwide project school.

We have 32 schools that are involved in Project Achieve. They all have planning committees that consist of students, parents and teachers. And in those 32 high schools, those that had the lowest attendance, those that had the largest numbers of long-term absentees, we have seen significant gains in drop-out statistics, in the graduation rate. We have seen significant gains in the number of long-term absentees.

We are now developing 50 new secondary schools. Ten of them are open already. Twenty-five more will open in September of 1993 and the remaining schools will open in September of 1994. They all follow the research of what makes an effective secondary school. They're theme oriented. They're small schools. And we have done this by reallocating funds within the existing Board of Education budget without additional resources.

We have just instituted, and will begin in September, a system-wide school choice initiative which will provide opportunities for the first time for parents in New York City, if they choose to send their children from one school district to another. Up until September, a parent of a student in one school district couldn't send the student outside that school district unless and until both the sending and receiving superintendents signed off on it. Something that was described at the public hearing on school choice as a restraint of trade.

We have a math initiative that has increased the math requirements in New York City from 2 years to 3 years. And for students entering our school system now, that requirement is for 3 years of academic math. And that's why our math scores on a high school level now are improving. And we have more students taking and passing Regents Competency Tests in the high schools in math and in writing.

We have refocused our efforts in the school system toward the early grades. We have a model program called Super Start for 4-year-olds, and we've integrated special education youngsters into the operation of that program through Super Start Plus.

We have put an end to the Gates Program that tested students in the fourth grade and held them back if they couldn't pass that test, and refocused those energies and those resources to the Summer Primary Program that reduced rates of referral into special education by 50 percent.

We have seen some important gains in the New York City public schools. Our dropout rate has gone down. Our attendance is up. Keep in mind, if we want to compare this to the mid-70s when we took huge budget cuts only in instructional areas and not in administrative areas, we show attendance in the public schools dropped by 3 percent. Over the last 3 years, we have taken our cuts in administrative areas to the extent possible protecting instructional areas and we have seen our attendance grow, not decline. If our attendance dropped now the way it did in the mid-70s as a result of focusing the cuts on the classroom as opposed to administration and we took a 3 percent drop in attendance, the New York City public schools would be out $80 million because our State aid is based upon pupil attendance.

Now there's a lot that's right in the schools and there's a lot that's wrong. The school structure is certainly not the best. We have a central board of education that has seven members appointed by six different elected officers. We operate under a school decentralization law that gives certain powers to the Chancellor and the same powers concurrently to local school districts. Local superintendents who are under the control of locally elected school districts do not have to meet a standard of performance. The Chancellor does not have a role in the selection of local community school superintendents—something that he has sought legislatively on a State level ever since he got here in 1990.

We have done a good deal within the existing structure to make the school system better managed and more accountable but there is much more that needs to be done. Some of it will require additional dollars. The numbers are startling. In 1990, we spent $500 less per pupil than the State average. Just 2 years later, we spent $1,300 less per pupil than the statewide average. We grew this year by 23,000 pupils, largely as a result of immigration—roughly the size of the Syracuse school system—and got virtually no additional dollars from the State for the pupil growth. So there's a lot that will benefit from additional dollars and there's a lot more that will benefit from aggressive and creative management.

I presented to you this morning a copy of an article that I prepared for the Yale Law and Policy Review that details in extraordinary length some of the activities that we've been involved in over the last 3 years. For example, the Institution of Early Retirement which helped save the system well over $100 million; something that was not exercised back in the mid-1970s.

We detail a revenue maximization unit that has gotten us $100 million in Federal funds for services to special education students that are reimbursable under medicaid. New York City is one of the few school districts in America now enrolled in the medicaid program.

But we need a good deal more help. We need it from the Federal Government in terms of assistance for our unprecedented administration growth; the taxing that immigration has on our infrastructure. We need additional space for our students. Too many of our schools are overcrowded.

We need help from the State government in terms of the funding formula that makes very little sense where New York City has 37 percent of the students and yet only gets 34 percent of the State

aid. If we just got aid on the same percentage as the students we have, we would have close to $300 million more and it would go a long way towards correcting some of the disparities in services.

So we're delighted to have your help. We're delighted to see the active involvement of the Federal Government in encouraging good business practices and we look forward to working with you in the days ahead.

If you have any questions, I'd be happy to answer them.

Chairman OWENS. Thank you very much, Mr. Litow. Before I begin the questions, I would like to acknowledge the fact that we've been joined by our two additional witnesses.

The Honorable Elizabeth Holtzman, Comptroller for the City of New York. We appreciate your coming this morning.

Ms. HOLTZMAN. Thank you, Mr. Chairman.

Chairman OWENS. And Ms. Noreen Connell.

Most important of all, we've been joined by my colleague on the Subcommittee on Select Education and Civil Rights, Donald Payne from New Jersey. I want to pause for a moment to ask Mr. Payne if he has an opening statement.

Mr. PAYNE. Thank you, Mr. Chairman. I have an opening statement but I'll just ask unanimous consent to have it included in the record.

Chairman OWENS. Without objection it will be included in the record.

[The prepared statement of Hon. Donald M. Payne follows:]

STATEMENT OF HON. DONALD M. PAYNE, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF NEW JERSEY

Mr. Chairman, let me commend you for calling this field hearing on the reauthorization of the Office of Educational Research and Improvement [OERI]. Mr. Chairman, I would also like to congratulate you on this measure as it represents over 5 years of work.

This measure seeks to provide a coherent and consistent long-term agenda to drive decisionmaking at OERI. Without a consistent agenda for education research, OERI can be used as a pawn, as we have seen in the past, to promote various short-term political programs with shifting priorities that do not promote serious educational research which could lead to possible significant educational reforms.

With passage of this measure OERI will be more responsive to the needs of teachers, school administrators and practitioners who may benefit from the dissemination of the research.

Additionally, OERI will be able to focus on some research areas of critical need, including the education of at-risk students and early childhood development.

I look forward to hearing about some proposals for multicultural education and I am interested in hearing about some of the problems that New York City had experienced with their school system, as I am from New Jersey's largest urban city, Newark, and I believe that cities can benefit from each other's negative and positive experiences.

Finally, I would like to welcome all of the witnesses.

Chairman OWENS. Mr. Litow, I'm just going to take 1 or 2 minutes for questions because you have a time problem. Some of the other witnesses also have a time problem, so we would like to submit a list of questions in writing.

First of all, you are the Deputy Chancellor responsible for administration. Am I correct?

Mr. LITOW. Operations.

Chairman OWENS. Operations. Could you tell us what percentage of Federal funds for grants would be used for space cost?

Mr. LITOW. Federal funds for space costs?

Chairman OWENS. Federal grants. What percentage of those grants would go into space costs? Do you have some idea?

Mr. LITOW. No, I don't. I'd have to get back to you on that.

Chairman OWENS. Are you familiar with the report, "A System Like No Other: Fraud and Misconduct by New York City School Custodians?"

Mr. LITOW. Yes, very familiar with it.

Chairman OWENS. What steps have you taken to deal with the recommendations in that report?

Mr. LITOW. We've taken a number of steps fairly comprehensively to deal with the report. Number one: We set up new accounting standards for custodians. We set up new time records for custodians' time. We have begun the process of auditing their bank accounts.

I think virtually every recommendation in the report that required a management action, the Chancellor has taken such action and most of those steps are already implemented in terms of better management, better auditing, better monitoring. Our plant managers are out into the field on a more regular basis. They produce written reports, financial reports by our auditor general and others. All of those recommendations that were made in Commissioner Stancik's report have been followed up on in a fairly aggressive fashion.

Many of the recommendations revolved around changes in the custodial system and the Chancellor has been very adamant about getting those changes to the bargaining table and I think that the actions that have been taken on that front are far more significant.

We will have, by the end of this school year, 100 schools that will be contracted out for private custodial services. That's a power that the school system has had for a long time that it has not exercised. We have begun to get significant dollar savings from contracting out. They're part of our financial plan for this year and a larger part of our financial plan for next year. The schools that are contracted out are performance-based contracts. The outside contractors work directly for the principal. In outside contracted schools they are opened between 7 a.m. to 10 p.m. and half day on Saturday free of charge.

The aggressive movement to contract out schools has been leveraged on the bargaining table and we are hopeful for the first time of getting significant gains in negotiations. Much of what is wrong with the custodial system is something that the Board of Education over decades has given away at the bargaining table and we intend to take back.

So I think that the report that Mr. Stancik did was a very good report. It documented a number of administrative and management remedies that the Chancellor could take and did take but it also points to the more systemic changes in the system that could be achieved at the bargaining table.

Chairman OWENS. That's a very strong statement you've just made. Much of what is wrong with the custodial system is what the Board of Education has given away at the bargaining table.

Mr. LITOW. Over decades.

Chairman OWENS. So it's the Board of Education's fault primarily. Are there any other obstacles?

Mr. LITOW. In terms of negotiation? No, I think that the Board has had over the last couple of years a fairly consistent negotiating tactic. Number one: To aggressively contract out as many schools as possible for leverage in the negotiation.

Chairman OWENS. That's what's happening now?

Mr. LITOW. Yes.

Chairman OWENS. There are all kinds of statements made when the Board of Education has been pressed in the past. There have been statements made that the problem was in Albany. Legislators protected the custodians. Statements have also been made that there's fear among the principals that they will be terrorized if they speak too forcefully and ask for a different arrangement. Are these all myths that really don't mean that much because the problem really is at the bargaining table and the failure of the Board of Education to bargain?

Mr. LITOW. I think the problem is at the bargaining table and the problem is within the Board of Education's ability to solve.

You know, the Board of Education is a massive bureaucracy and it's been in business for a long, long time. There are some people who believe the problem is in Washington, some who think it's in Albany, and some who have myths about the power of changing certain things.

Much of what is wrong with the system is the result of negotiation. Once a contract is put together, it's very, very difficult to make significant amounts of changes in the contract without a substantial amount of leverage. That's the collective bargaining process. You don't have the ability to strip a contract. You don't have the ability to fire custodians without cause or change a system.

Over the last couple of years in a fairly systemic way, the Board has been moving to change the structure of those negotiations for better effect. Outside contracting is one part of that process.

In prior years, the Board had a significant threat of a strike from custodial employees. This time around the Chancellor settled the contract with custodial employees who were the only employees not covered under the Taylor Law. So the strike threat was in large part eliminated. And now we are negotiating at the bargaining table with the weight of outside contracting operating on the side of the school system and hopefully there will be significant amounts of change this time around.

The things that you need to get are: The custodians to report to the principals and performance-based contracting.

Chairman OWENS. When do you expect the contract negotiations to be completed and who is doing the negotiating at this point?

Mr. LITOW. The negotiating is being done by the Chancellor's staff along with City administration and I would hope there's no contract unless it's a contract that has a significant amount of change.

I think the worst thing that we could do is set an arbitrary deadline for a contract which was done in the past, the results of which benefited the custodians more than it did schoolchildren.

Chairman OWENS. I don't propose an arbitrary deadline but a significant question is will a contract be completed under this Chancellor or will it be left for another Chancellor?

Mr. LITOW. The Chancellor has specific criteria under which he would sign a contract. The more time that goes by, the more vacancies appear, and the more schools are contracted out. And one would hope that time is on our side. But we can have a contract as soon as our demands are met.

Chairman OWENS. Are the negotiations ongoing?

Mr. LITOW. Yes.

Chairman OWENS. Are they scheduled frequently?

Mr. LITOW. Yes.

Chairman OWENS. When was the last negotiation held?

Mr. LITOW. Last week.

Chairman OWENS. The Mayor's office you said is involved?

Mr. LITOW. Yes.

Chairman OWENS. His Collective Bargaining Unit?

Mr. LITOW. Yes.

Chairman OWENS. One final question. Of the 100 contracts that have gone out to private contractors, that's 100 out of 1,000, right?

Mr. LITOW. Yes.

Chairman OWENS. Of that 100, what kind of money have you saved? You said you had significant savings. Could you give us some idea what kind of savings?

Mr. LITOW. In the first set of approximately 40 schools, I think we saved $1.8 million.

Chairman OWENS. Out of 40 schools being contracted out, we saved $1.8 million. I think that's quite significant.

Mr. LITOW. So do I. I also think that the 100 schools that we contracted out represent roughly 10 percent of our system. This is a good beginning point in terms of balancing cost through private contracting as against the public system. And I would hope that that would be something that the school system would hang on to and not abandon in the years ahead.

Chairman OWENS. Are these contracts available for minority and local contractors? Is there a procedure where they can find out about it?

Mr. LITOW. Yes, absolutely. And we'd be happy to share with you the list of contractors and show you the numbers.

Chairman OWENS. How are notices given on that?

Mr. LITOW. Excuse me.

Chairman OWENS. How do you give notice of contract?

Mr. LITOW. I'd have to get you the procedures, Congressman. I don't know them offhand.

Chairman OWENS. Mr. Payne.

Mr. PAYNE. Thank you, Mr. Owens. I just would like to commend you for calling this hearing.

And although I'm not that familiar with the system here, we've heard a bit about the New York City public school custodial system. And being from outside of New York, many of us were really in disbelief that a system like this would have been in practice for so long. The apparent abuses just seem to be out of place, out of time. I mean it seemed like a backdrop of a century ago. And so I'm just glad to hear that there are reforms.

It's unfortunate that there has to be a threat to go to outside contracting and that a bad system simply could not be changed. We understand about negotiations and I think during the past decade we've seen that it is not uncommon that long existing contracts have been totally renegotiated. Not that I'm in opposition. If you save $1.8 million with the first 100 schools, that's a step in the right direction.

It seems to me, though, that in an educational system, if all things are controlled through the Board, and therefore in the system, that tends to work better. It seems almost astonishing that that particular system could not be changed to make it a system that's like practically all other boards of education around the country and probably around the world.

It seems that the system here is just shocking. But whatever way it has to be changed, I'm certainly supportive and once again I'd like to say I congratulate Congressman Owens for calling this hearing.

Mr. LITOW. I just wanted to say one other thing. There are a number of things involving the management of the system that the Chancellor has initiated relative to the custodians' contract. We are currently subject to charges brought by the custodians against the Chancellor for unfair labor practices involving the fact that he took jeeps away from custodians and has put forth a much more aggressive auditing and management practice. Many of the things within the existing system that are protected under collective bargaining agreements are not subject to litigation as a result of the Chancellor pursuing his powers to the fullest extent.

Chairman OWENS. Well, thank you very much.

Mr. PAYNE. May I ask one question? How large is the security system in the public schools?

Mr. LITOW. We have approximately 3,000 school security officers and spend in excess of $70 million on school security. And again, those are resources that we are not able to spend on instructional and educational programs because the demands in terms of safety are so great.

Mr. PAYNE. What kind of system do they have? Do they work directly for the principal or is there a similar kind of system where head of security takes care of security in his own building and is paid from the Board of Education then writes out checks to the security people?

Mr. LITOW. We hired school security officers centrally and they're trained through a training academy that was designed for the Board of Education by John Jay College of Criminal Justice. They are deployed in elementary, junior high and high schools. Some of our community school districts, with resources that are given by the Board, hire some school security staff on their own.

Mr. PAYNE. But the system is not similar to the custodian system?

Mr. LITOW. No, it is not an outside contracted or indirect system. The school security officers are employees of the Board of Education.

Mr. PAYNE. Thank you, Mr. Litow.

Chairman OWENS. Thank you again, Mr. Litow.

Mr. Payne referred to having some knowledge of the New York City school custodian problem. That's probably because almost every week the Republican leader, Newt Gingrich, is on the floor of the House criticizing New York as being the Welfare State and inevitably he always cites the custodian contract here. They beat us over the head with that all the time. And it is an impediment in trying to get funds for other kinds of educational programs. New York City's obvious refusal to deal with the custodian contract problem stands out.

Mr. LITOW. Thank you.

Chairman OWENS. We will be in touch with you with written questions.

Our next witness, the Comptroller of the City of New York, needs no introduction. The Honorable Elizabeth Holtzman.

Welcome, Comptroller Holtzman.

STATEMENT OF HON. ELIZABETH HOLTZMAN, COMPTROLLER, CITY OF NEW YORK; NEW YORK, NEW YORK

Ms. HOLTZMAN. Thank you very much, Representative Owens.

I'd like to thank you and the other members of the subcommittee for giving me the opportunity to testify today.

I would also like to thank you, Representative Owens, for the leadership you've shown on education issues among others.

In discussing the current state of school management and how it can be improved, we must start from the understanding that the New York City schools are not working as well as they should to give our children the education they need. Too few children are graduating and too many of those who do graduate do not have the skills they need.

Only 38 percent of students graduate after 4 years of high school. After 7 years, the maximum time allowed in high school, the graduation rate is still only 57 percent.

Chairman OWENS. Excuse me. Can you hear her? Can you pull the mike a little closer?

Ms. HOLTZMAN. Which is the mike?

Chairman OWENS. The other one is the mike. Yes, that one.

Ms. HOLTZMAN. Only 38 percent of students attending high school graduate after 4 years. After 7 years, the maximum time allowed in high school, the graduation rate is still only 57 percent.

Seventy-five percent of the graduates from City high schools who go to the City university have to take at least one remedial course to prepare them to do college level work.

Improving the way schools are run is a vital part of improving how they teach. Many teachers, principals and other staff work very hard to educate our kids. But too often the way schools are run makes it more difficult for them instead of making it easier.

School officials say they are underfunded. Our experience shows that a substantial amount of money for better education could be found by eliminating waste and corruption and improving productivity in school systems.

Our audits have found considerable waste and mismanagement in the New York City school system. I will submit to you copies of several of our audits and reports so they can be included in the

record of this hearing.* I hope you will find their detailed analysis of some of the management problems in City schools useful in determining how the Federal Government can improve the schools' operations. Today, I will briefly review some of our findings.

It is well established that hiring trained professional procurement officials and instituting up-to-date procurement and inventory systems can save as much as 10 percent of total spending through contracts. The New York City Board of Education spends about $1.2 billion a year buying goods and services. Thus, it is possible that we could achieve as much as $120 million of savings a year with top notch procurement professionals and a top notch professional procurement system.

Good inventory controls are an important way to avoid waste. We've audited inventory systems throughout the New York City school system from small items like paper and pens, to larger, more expensive items like textbooks and computers. In every instance, we found that vast amounts of supplies and equipment were unaccounted for. Many schools still use antiquated, manual inventory systems with few controls that leave valuable equipment and supplies open for theft, waste and abuse. As a result, school administrators often purchase more than they need, thus wasting money that could be used to buy what is needed. These manual inventory systems also require an inordinate amount of time and resources to maintain properly, time that could be far better used in the classroom.

Take the Board's central warehouse, for example. We found that the security system newly bought at the Board of Education's central warehouse had never been turned on. Doors were open and identification was never checked. Not surprisingly, the inventory records were wrong on 60 percent of the items we counted.

Knowledge of how to use computers is vital for today's students. State guidelines recommend a student-to-computer ratio of five to one. In New York State outside of the City, the actual ratio is 12-to-1. In the City in 1988, it was an unacceptable 21-to-1. In minority areas of the City, the ratio was 25-to-1. We can't allow our children to face those kinds of odds against their success.

Given that shortage of computers, it is an outrage that we found 571 pieces of computer equipment missing from a sample of six City high schools we studied. And at one high school, computers donated by I.B.M. for a special school computer lab were being used by staff in their homes.

The Board has not fully computerized its own operations to cut costs. The Board's program to computerize purchasing and inventory has run into problems. Changing the system so that it does what is should will cost the Board much more than was originally budgeted.

The Board also has a problem keeping track of the number of students. If the number is wrong, the schools can lose Federal and State aid. For example, we found that the Board was underreporting the number of students in its bilingual education program. That meant a loss of $1.2 million in State aid in the 1988 fiscal year.

Busing is another area where savings are possible. The Board of Education spends more than $300 million a year on contracts for

busing students. Since 1979, the Board was awarding those contracts without using competitive bidding. In addition, the Board does not have the internal capacity to develop all routes for children travelling on school buses. Instead, some of the bus companies themselves develop some of their own routes, and thus determine how many buses they will use and how much they will be paid. That certainly creates the opportunity for inefficiency and waste to say the least.

There are also serious problems with budgeting. Budgets are important tools for setting priorities, controlling spending and permitting accountability. But the City Board of Education was not providing timely or adequate financial status reports to the City, the Comptroller's Office and the City Council.

For example, in the spring of 1991 my Office found $91 million in Federal Chapter 1 money for enrichment programs for schools with large concentrations of low-income children. The Board was not spending the money in the year in which it was available and it had not reported to anyone that these funds existed. We were able to get the Board to make the funds available to the schools.

We brought an end to what amounted to a dangerous game of "budget roulette." As a result of my audit, the Board now provides full accounts of both revenues and expenditures. That is a first. And the City Council adopted many of my recommendations as terms and conditions that the Board of Education must fulfill to get funding from the City.

But budgeting is also a problem in the 32 local districts. District budgets are not presented in an understandable form. That makes it very difficult for local school boards and parents to set priorities, or have any input at all on how school funds are spent. How much is spent, for example, for education and how much is spent, for example, for administration.

Another example of waste is the custodial system which has been mentioned at length here. The schools spend $223 million every year on the custodians, who are supposed to clean the schools. But the principals have no control over the custodians who are accountable to no one. This system is notorious for nepotism, cronyism and corruption. A recent investigation found some custodians were hiring family members, running other businesses and lounging on a yacht when they were supposed to be working in the schools, and they were still not cleaning the schools.

The Board is starting a privatization program in 40 schools which is expected to save $3.5 million, and there are plans to expand it to 100 schools by 1994 which would increase savings to $7.7 million a year. The figures, by the way, were supplied to us by the Board of Education. Speeding up this process and spreading it to all the schools would save millions that could go to improve teaching. The Federal Government should encourage this sort of reform.

School systems and districts should have internal auditors to ensure that money is spent properly and to find and eliminate waste. The internal auditing capacity at the City Board of Education is inadequate to meet the need. Effective auditors can serve a vital role in identifying, and therefore cutting, waste and inefficiency and in measuring the effectiveness of education programs.

So the need is clear—better budgeting, better financial and management reporting, better procurement and inventory controls. There is a good deal the Federal Government can do to help local school systems develop these skills.

First, the Institute for Innovation in Education Governance, Finance and Management could set up a task force to identify major areas of waste and mismanagement. Such studies can be very effective. For example, the Mayor's Private Sector Survey in New York City several years ago identified $2 billion in possible savings through improved operations in City government.

Second, the Institute could provide technical assistance to local school systems. It could find or develop model systems for budgeting, financial reporting, procurement, inventory and computerization and then offer those systems to schools around the country. The Institute could identify well-run systems and innovative ideas and communicate them to school systems around the country. One way to do that might be to give awards for exceptional performance.

Third, the Institute should develop standards and guidelines for uniform reporting. Reports should be designed to be easily understandable by parents and community members. Using uniform, accessible standards would make it easier for communities to hold their school systems accountable and to compare their schools with those of other similar communities. It would make it possible to measure changes in management performance and it would provide a basis for testing different innovations and objectively analyzing their success and value.

Fourth, the Institute should help arrange for training in budgeting, procurement and inventory. This training could be done by the Institute just as the FBI trains local police officers. Alternatively, the Federal Government could provide aid to the States to do the training on a local level or aid to localities to do it as well.

Finally, once a training system is set up, I think the Federal Government should seriously consider requiring school systems to implement up-to-date budgeting, financial and management reporting, auditing, procurement and inventory systems. There is no reason for the Federal Government to finance waste. There is every reason for Washington to ensure that education money actually goes to helping kids learn.

When I was in Congress, I wrote the Holtzman amendment, which requires regular evaluation of all Federal education programs. I respectfully suggest that Representative Owens might want to and this committee might want to propose an Owens amendment that would require regular evaluation of local school management.

America's future depends on its schools. Yet they are expected to make do with ancient management systems. It is long past time that America applied the best knowledge it has to running its schools so that the schools can give the best education possible. This new Institute can play an important role in helping America's school systems move in that direction.

Thank you very much.

*[The reports and audits are on file in the subcommittee office.]

[The prepared statement of Ms. Holtzman follows:]

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Board was awarding those contracts without using competitive bidding. In addition, the Board does not have the internal capacity to develop all routes for children travelling on school buses. Instead, some of the bus companies themselves develop some of their own routes, and thus determine how many buses they will use and how much they will be paid. That certainly creates the opportunity for inefficiency and waste to say the least.

There are also serious problems with budgeting. Budgets are important tools for setting priorities, controlling spending and permitting accountability. But the City Board of Education was not providing timely or adequate financial status reports to the City, the Comptroller's Office and the City Council.

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School systems and districts should have internal auditors to ensure that money is spent properly and to find and eliminate waste. The internal auditing capacity at the City Board of Education is inadequate to meet the need. Effective auditors can serve a vital role in cutting waste and inefficiency and in measuring the effectiveness of education programs.

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Third, the Institute should develop standards and guidelines for uniform reporting. Reports should be designed to be easily understandable by parents and community members. Using uniform, accessible standards would make it easier for communities to hold their school systems accountable and to compare their schools with those of other, similar communities. It would make it possible to measure changes in management performance. And it would provide a basis for testing different innovations and objectively analyzing their success and value.

Fourth, the Institute should help arrange for training in budgeting, procurement and inventory. This training could be done by the Institute, just as the FBI trains local police officers. Alternatively, the Federal Government could provide aid to the States to do the training on a local level.

Finally, once a training system is set up, I think the Federal Government should seriously consider requiring local school systems to implement up-to-date budgeting, financial and management reporting, auditing, procurement and inventory systems. There is no reason for the Federal Government to finance waste. There is every reason for Washington to ensure that education money actually goes to helping kids learn.

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Thank you.

Chairman OWENS. Thank you for some very specific recommendations.

Let me start the questioning by asking you what difference does it make? If we evaluate New York City and we highlight a problem, it seems it doesn't make any difference. Because the problem of the custodians' contract has been highlighted, evaluated, discussed for the last 20 or 30 years and still nothing happens.

What is the problem with respect to the inability of the Board of Education, the Mayor, the Governor, or some entity within the State of New York to correct a flagrant abuse of power, a flagrant set of waste, matters which border on criminality? What is the problem?

It is not knowledge. It is not information. The problem is well known. So what do you propose?

Ms. HOLTZMAN. Well, I think there are several things that can be done. One is to institute some of the changes that have been made.

For example, on the custodians themselves, we worked with Mr. Stancik and the Board to require the institution of new accounting procedures and to prohibit the custodians from comingling personal funds and funds to run the schools. I mean that was a wonderful system that allowed fraud and the possibility of corruption.

But you're asking really how can you pressure a system to make change when the problem is well known? And I think part of the way you do that is to expose the problem as Mr. Stancik did. And part of it is to have management at the school system that wants to make those changes. And then part of it may be, since you're dealing with tremendous inertia, using the Federal Government and its aid as a means of getting school systems to try to improve their own management. Because the moneys that are saved can be utilized for educating our kids and we desperately need that money.

So some of the suggestions that I made to you included here, for example, training local systems on better management procedures, possibly requiring annual accounts to the Congress, to the public, about savings that are made through better administration. These are some of the things that can be done. Training, reporting.

But in the end, I mean I don't know whether you want to use a stick as well as a carrot. But I think the Federal Government can help schools help themselves and therefore help the kids.

Chairman OWENS. Is it legal to have $300 million in bus contracts going out each year without bids? No competitive bidding since 1979? Is that legal?

Ms. HOLTZMAN. Well, it's been legal under the present system.

Chairman OWENS. Do you allow that in any other situation? The City Services?

Ms. HOLTZMAN. Well, there are exemptions in part because what happens is—the way it works is that there's an effort to try to get competitive bidding but obviously nothing happens. And then the Board of Education waits until days before the contract runs out, then submits an emergency contract and says it's an emergency because if the contract isn't signed, buses won't run.

Chairman OWENS. Do you have to approve that?

Ms. HOLTZMAN. Yes, the corporation counsel says it's an emergency. And, in fact, it is an emergency at that time.

Chairman OWENS. So we've had an emergency since 1979?

Ms. HOLTZMAN. Absolutely. And you have to ask yourself, when we're talking about these kinds of dollars, why that system perpetuates itself. It's another good example of how you have an ingrown practice that hasn't changed. The Board is refusing to look at and to examine, to find savings and then in the end use the savings.

Why are we interested in this? We want to use the savings because we're desperate for funds to teach our kids. When we don't have our kids performing as they should, when we have a huge dropout rate and a very low graduation rate, we need to be spending every dollar in the classroom and not on fraud in the custodian contracts, not on contracts for busing that may be inflated, not on inventory systems that are outrageous.

Chairman OWENS. Would you make a value judgment as Comptroller and answer this question: Do you think money would be saved if these bus contracts were bid?

Ms. HOLTZMAN. We've been asked because we have raised these issues. We've been asked actually by the State legislature to do a cost analysis and we will have a report on that sometime in the future.

Chairman OWENS. You mentioned something about bus companies determining their own routes.

Ms. HOLTZMAN. Oh, yes.

Chairman OWENS. We have thousands of vans out there; various forms of transportation waiting to serve the people.

And I would say about those bus contracts the same as I would like to add about the custodian contracts. They represent 900 of them still under the present custodians' arrangement which they are not union members. That's an association of managers. An association of businessmen. They call themselves a union but it's really not that. Those 900 that are still under them represent 900 business opportunities for local entrepreneurs in our communities.

Ms. HOLTZMAN. Exactly.

Chairman OWENS. And it would probably improve more than just the cleaning services but provide job opportunities and a number of other things if we were to take an initiative. Is there anything in the law that states you can't just drop the negotiations and not renew the custodians' contract?

Ms. HOLTZMAN. I'm not familiar enough with the details of that. But I think, as you point out with regard to the buses, if the bus companies decide their own routes and therefore, depending on the length of the route, can say they need more buses, it's a pretty neat opportunity and it allows certainly the possibility of self-dealing and fraud.

Chairman OWENS. Thank you very much. Mr. Payne.

Mr. PAYNE. Yes, what is the reason for the lack of bids coming in on the part of the various bus companies? I assume there's a number of bus companies, correct? Or is it just one?

Ms. HOLTZMAN. Well, as Congressman Owens has mentioned, this is a system that's been in place since 1979 and it's a pretty well known and well understood system people feel very comfortable with.

And the State law, by the way, has also allowed contract extensions my staff has pointed out to me.

Chairman OWENS. On emergency basis?

Ms. HOLTZMAN. Well, some cases emergency basis. I'm not sure what the State law has said on this.

Mr. PAYNE. Well, I'm less familiar with that. I don't know what else—we all knew about the custodians but now this.

Chairman OWENS. Gingrich hasn't talked about bus contracts.

Mr. PAYNE. No. We need to keep this one quiet.

Ms. HOLTZMAN. But, Congressman Payne, I'd like to point out that while the purchasing may not be as sensational, when the Board of Education is buying over a million dollars a year in goods and services and doesn't have professional people buying for it or it doesn't have professional systems in place, then you know too that the Board is not getting the full value it can for the dollars it spends and we are convinced that savings can be achieved in that area.

We've gone to the City of New York for the City's own management and gotten them to agree to put professional purchasing people in. And they have agreed but they haven't done it. And we believe, again, we're talking about $100 million of savings.

So we think that there are big savings to be achieved in the Board of Education by professionalizing the administration. Inventory controls that are non-existent. You're talking, again, about tens of millions of dollars. Money that's just wasted.

So these are areas that might not be as sensational as the custodians, but the waste is just as extreme and just as unconscionable and can be in a way more easily corrected. Because you're not talking about contracts, you're not talking about negotiations, you're not talking about structural systems that have to be changed. These are relatively easy to change. It's a question of making school management as important as other items in the school agenda. Just not as interesting. But the dollars that can be saved are staggering.

Mr. PAYNE. Just seems to me—and I certainly agree. You know I've been in local government and elected to city council. I have also been elected to county government and State government. However, I am now in the Federal Government. I've never really heard of a system that seems to be so broken. When contracts are let, when bids go out, and if no one competitively bids, evidently there's collusion.

I mean if you have a number of bus companies, and I assume there must be many bus companies, it would appear to me under the public bidding laws that when contracts expire, that those bids are let and therefore those available companies should bid competitively.

Ms. HOLTZMAN. Generally speaking the theory has been on the Federal level, State level and local level, that competitive bidding does assure lower cost. But here, for a variety of reasons, and I don't know the whole history of this, but since 1979 there has been no competitive bidding whatsoever for these contracts. We're talking about a $300 million item; a big ticket item.

Mr. PAYNE. That's a dereliction of duty it seems to me of the Board of Education. That's unconscionable.

You know we're getting ready to get into the twenty-first century. When we've got a three and a half trillion dollar deficit on a Federal level, everyone's asked to do more and tighten up and take a little more tax just as long as we can work our way out of the debt. And then with New York City, you would think you were on Mars somewhere where no one's heard about fraud and wasteful spending. Hopefully, it can be corrected.

Thank you, Mr. Chairman.

Chairman OWENS. We want to thank you for being here to help us correct it, Congressman.

Thank you very much, Comptroller Holtzman. I understand you have a time problem and we appreciate your being here.

Ms. HOLTZMAN. Yes, thank you very much.

Chairman OWENS. We'll also submit to you some additional questions in writing as we pursue the implementation of this legislation.

Our next witness is Mr. Ed Stancik, the Special Commissioner of Investigation for New York City School District.

Nobody knows more about the custodian problem than Mr. Stancik at this point in history and we want to thank Mr. Stancik for being here and for cooperating with the committee up to this point. We look forward to your testimony.

Mr. Stancik.

STATEMENT OF ED STANCIK, SPECIAL COMMISSIONER OF INVESTIGATION FOR THE NEW YORK CITY SCHOOL DISTRICT, NEW YORK, NEW YORK

Mr. STANCIK. Thank you, Chairman Owens. Also Representative Payne and members of the subcommittee staff.

Let me begin by thanking the subcommittee for giving me the opportunity to address it this morning. I commend the subcommittee for its interest in the terribly important issue of corruption and misconduct in the City's public schools.

My office, the Office of the Special Commissioner of Investigation for the New York City School District, was created after scandals of the late 1980s convinced Mayor Dinkins and the Board of Education that an independent office was needed to ferret out crime and misconduct in the public schools.

It is because my office is independent and does not answer to the Board of Education that we have the freedom to tackle the corruption issues most affecting the quality of education in New York City.

I am also pleased to be here today because I think it is a critical moment in the fight against corruption in the City schools. After a very divisive argument, New York is now searching for its next

chancellor, and while that search is already producing raised voices, there has been little or no discussion over the importance of choosing a chancellor, who like Chancellor Fernandez, will take a strong and determined stand against corruption. I hope that these hearings will serve to bring this issue into the debate over the search for a new chancellor.

I will confine my prepared remarks today to corruption in the custodial system and, of course, I will be pleased to discuss any issues the subcommittee wishes to during the question and answer period.

Your presence here today indicates and demonstrates that the custodial system has become a national symbol of corruption and waste. Representative Payne's comments and your comments, Chairman Owens, of Mr. Gingrich's needling of the New York legislators, and perhaps even preventing funds from getting here as a result of the custodial system, are very important. I think that New Yorkers, people in the Board of Education, need to understand the National scope of this issue.

Last November, my office issued a lengthy report on the custodial system. We found widespread abuses resulting from a system that encouraged their occurrence. Several arrests and convictions have resulted and other custodians and custodial workers have been fired. But our report was clear that the trouble we uncovered did not result from a few bad apples. If the fruit is bad, you look to the soil. And the custodial system, as it currently exists, is guaranteed to produce more bad apples.

We concluded that fundamental change was necessary if we're to have a custodial system with integrity. But the most fundamental change we recommended stems directly from common sense and that is that the custodians should report to the principal and not be allowed to create a private "thiefdom" within the school as is now the case.

It seems self-evident to us that if a classroom is dirty, the principal should have the power to order it cleaned. Sadly, however, that is not the case. As the system currently exists, for example, the custodian need only mop a classroom three times a year. If the floor needs to be cleaned at other times in the year, the principal can only try to persuade but not order the custodian to do so.

Our report concluded that other sweeping changes were necessary as well. We found that custodians should not have complete control over their staff and their budget. Comptroller Holtzman, whose office assisted in our investigation, is to be commended for immediately prohibiting the practice of custodians comingling their budgets with their personal funds. That would mean, so that the committee is very clear, that custodians were allowed, before our report came out, to take their budget, their money for their staff and supplies, and put it in their personal checking account, so that one check might be written for payroll and the next check written for their groceries. As you can imagine, that was a nightmare for anyone trying to audit that system.

The autonomy custodians have over staff has resulted in dangerous criminals working in close proximity to our children without the Board even being aware that they were there. This is because

the record keeping and personnel function with respect to custodial staff was all but non-existent.

Ghost employees who may be a girlfriend or a creditor of the custodian were paid for work that they did not perform. The unmonitored control custodians have over their budgets has resulted in custodians buying radios and saws and other goods for their own use with Board of Education dollars.

We also recommended as part of our findings that audits and surprise inspections be conducted more frequently. It's important to note that the abuses we found could hardly be described as the result of brilliant schemes. No system can entirely prevent fraud by the criminal mastermind. But the schemes we found were almost primitive in their design. They succeeded simply because nothing stood in their way. The system left the door wide open. Unless we close this door—and I definitely can see that some progress has been made in this regard—unless we close that door, these schemes are bound to recur.

I'd like to note that I am prepared today to discuss another custodial scheme, one not previously mentioned in our report, where custodians are able by simple fraud to charge the Board for personal goods.

Since our report was released, we have been monitoring the Board's response to these recommendations and where the Board has the legal ability to act, there has been some change and the Board is working towards fully implementing the recommendations that we made in the areas where the Board has the legal ability to act.

But the most fundamental and important change we recommended, that the custodian report to the principal, can only be affected at the bargaining table. The current contract has expired and Chancellor Fernandez has said he will only sign a new contract if it includes this critical provision. It is vitally important that the next chancellor not shrink from that position if, in fact, the contract is not completed under Mr. Fernandez's administration.

Here, again, it is my hope that these hearings ensure that those involved in the search process consider the ability and willingness of candidates to achieve fundamental change in the custodial system at the bargaining table.

Support for this change we have proposed is broad based. I know that Mayor Dinkins, Chancellor Fernandez, Board President Carl McCall, and Comptroller Elizabeth Holtzman, have all endorsed this change. But just as important I believe there is extraordinary support for this change by the citizens of New York City. I can tell this committee that I am regularly stopped by ordinary people on the street, people who are vendors at hot dog stands, merchants in my community, expressing their outrage at the current custodial system.

Let me once again underline the importance of this issue. I firmly believe that a clean classroom is an integral part of a sound education. In Jonathan Kozol's important book, "Savage Inequalities," he noted how children viewed the condition of their school, the condition of their classrooms, as a sign of how adults saw their worth. When we allow a system where a principal cannot direct that a classroom be kept clean, we are sacrificing far more than a

position at the bargaining table. Let's show our children how we really feel about their worth and put some common sense back into the custodial system.

Let me say that I cannot tell you how much I support this subcommittee's proposal for an Office of Educational Research and Improvement. Certainly this Office could do a lot to help support the critical work of investigating corruption in the school system. Deputy Chancellor Litow very impressively laid out the vast nature of the $7 billion enterprise that is the Board of Education. I have a total of 30 investigators to investigate that work. It certainly would be of assistance if there were Federal agencies which could do some work in this area and work with us cooperatively towards exposing any corruption in the school system.

And finally, let me thank the subcommittee again for its time and its attention to these very important matters.

[The prepared statement of Edward F. Stancik follows:]

STATEMENT OF EDWARD F. STANCIK, SPECIAL COMMISSIONER OF INVESTIGATION FOR THE NEW YORK CITY SCHOOL DISTRICT

Let me begin by thanking the subcommittee for giving me the opportunity to address it this morning. I commend the subcommittee for its interest in the terribly important issue of corruption and misconduct in the City's public schools.

My office, the Office of the Special Commissioner of Investigation for the New York City School District, was created after scandals of the late 1980s convinced Mayor Dinkins and the Board of Education that an independent office was needed to ferret out crime and misconduct in the public schools. It is because my office is independent and does not answer to the Board that we have the freedom to tackle the corruption issues most affecting the quality of education in New York City.

I am also pleased to be here because I think it is a critical moment in the fight against corruption in the City schools. After a very divisive argument, New York is now searching for a new Chancellor, and while that search is already producing raised voices, there has been little or no discussion over the importance of choosing a Chancellor who will take a strong and determined stand against corruption. I hope that these hearings will serve to bring this issue into the debate.

I am going to confine my prepared remarks to corruption in the custodial system. Of course, I will be pleased to discuss any other issues in the question and answer period. The custodial system has become a national symbol of corruption and waste. Last November, my office issued a lengthy report on that system. We found widespread abuses resulting from a system that encouraged their occurrence. Several arrests and convictions have resulted, and other custodians and employees have been fired. But our report was clear that the trouble we uncovered did not result from a few bad apples. If the fruit is bad, you look to the soil, and the custodial system as it currently exists is guaranteed to produce more bad apples.

We concluded that fundamental change was necessary if we are to have a custodial system with integrity. But the most fundamental change we recommended springs directly from common sense. And that is, the custodian should report to the principal, and not be allowed to create a private fiefdom within the school, as is now the case. It seems self-evident to us that if a classroom is dirty, the principal should have the power to order it cleaned. Sadly, however, that is not the case. As the system currently exists, for example, the custodian need only mop a classroom three times a year. If the floor needs to be cleaned at other times in the year, the principal can only try to persuade the custodian to do so.

Our report concluded that other sweeping changes were necessary as well. We found that custodians should not have complete control over their staff and budgets. The autonomy custodians have over staff has resulted in dangerous criminals working in close proximity to our children without the Board even being aware that they were there. Ghost employees—who may be a girlfriend or creditor of the custodian—are paid for work that they do not perform. The unmonitored control custodians have over their budgets has resulted in custodians buying radios and saws and other goods for their own use with Board of Education dollars. We also recommended that audits and surprise inspections be conducted more frequently.

It is important to note that the abuses we found could hardly be described as the result of brilliant schemes. No system can entirely prevent fraud by the criminal mastermind. But the schemes we found were practically primitive. They succeeded because nothing stood in their way. The system leaves the door wide open. Unless we close this door, these schemes are bound to recur. I'd like to note that I am prepared to discuss another custodians scheme today, not previously mentioned in our report, where custodians are able by simple fraud to charge the Board for personal goods.

Since our report was released, we have been monitoring the Board's response to these recommendations. Where the Board has the legal ability to act, there has been some change and the Board is still working towards implementation of our recommendations.

But the most fundamental and important change we recommended, that the custodian report to the principal, can only be affected at the bargaining table. The current contract has expired and Chancellor Fernandez has said he will only sign a new contract if it includes this critical provision. It is vitally important that the next Chancellor not shrink from that position. Here again, it is my hope that these hearings ensure that those involved in the search process consider the ability of candidates to achieve fundamental change in the custodial system at the bargaining table.

Support for the fundamental change we have proposed is broad based. I know that Mayor Dinkins, Chancellor Fernandez, and Board President Carl McCall have all endorsed it. And just as important, I believe there is extraordinary support for this change by the citizens of New York City. I am regularly stopped by ordinary people expressing their outrage at the current custodial system.

Let me underline the importance of this issue. I firmly believe that a clean classroom is an integral part of a sound education. In Jonathan Kozol's important book, *Savage Inequalities*, he noted how children viewed the condition of their school as a sign of how adults saw their worth. When we allow a system where a principal cannot direct that a classroom be kept clean, we are sacrificing far more than a position at the bargaining table. Let's show our children how we really feel about their worth, and put some common sense back into the custodial system.

Let me thank the subcommittee again for its time and attention.

Chairman OWENS. Thank you very much, Mr. Stancik.

We're going to hear the next witness before we proceed with questions.

Ms. Noreen Connell is Director of the Educational Priorities Panel.

Welcome, Ms. Connell, and you may proceed.

STATEMENT OF NOREEN CONNELL, EXECUTIVE DIRECTOR OF EDUCATIONAL PRIORITIES PANEL, NEW YORK, NEW YORK

Ms. CONNELL. I'm going to read sections of my testimony which is in much more detail.

I'm Noreen Connell, Executive Director of the Educational Priorities Panel, a coalition of 27 civic organizations that have worked together for 27 years to ensure that the maximum resources available to the New York City public schools go to student instruction and services.

I will briefly outline three areas where we believe that greater efficiency in administration will produce both significant savings and significant improvements in the quality of services and goods that students receive.

At this time, EPP has no way of calculating in any meaningful detail whether this school district is more inefficient or less inefficient than other school districts in the State. With almost a million students in the system, there should be an economy of scale in both purchasing and contracting functions. Yet, according to annual statistics compiled by the State Comptroller's office, the New York City school district spends 8 percent of its total budget on transpor-

tation, compared to a rest-of-State average of 6 percent, and spends 3.9 percent of its total budget on food services, compared to a rest-of-State average of 2 percent. These comparisons, however, are very crude calculations. At this point, I would like to detail some of the perennial problems in administrations that have plagued the New York City school system.

I'm starting out with school bus transportation. And portions of my testimony explain that the contracts are not competitively let. It's not that no one bids for them. But my testimony explains why this doesn't happen.

I'm just going to give you a bit of history now. In 1979, Florence Flast, a former president of the United Parents Associations who had been appointed to administer school transportation, got the support of Chancellor Macchiarola and Mayor Koch to attempt to break the monopoly of Varsity Transit on school bus contracts. Ed Arrigoni, the owner of Varsity, was represented by lawyers Roy Cohn and Stanley Friedman. There ensued a three-month strike by Local 1181 that ended in an agreement to provide recognition of industry-wide seniority, wage and pension protections for Local 1181 drivers even by employers without a unionized workforce.

This "Mollen Agreement"—Mollen was an administrative judge at that time—was included in the contracts let after the strike was settled. This is called the EPP Agreement. I don't like that term because it's the same initials as my organization. But this language is now used as pretext for why school bus contracts cannot be competitively let. Supposedly to include this language would violate ERISA, Federal Preemption statutes, and NLRB rulings. So it's sort of an impossibility is what they say.

Chairman OWENS. The Federal Government is responsible.

Ms. CONNELL. And what happens is that every 3 years legislation is passed in Albany exempting the Board of Education from State requirements for competitively letting the contracts. So there is State legislation every 3 years.

Chairman OWENS. State legislation exempts?

Ms. CONNELL. Yes. The odd thing about the Board of Education is that so much of it is determined by State legislation in the procurement policies. They don't have to follow City procurement policies of the City Procurement Board but they follow the State regulations, so they get exemptions. They have to get exemptions from those requirements which they somehow manage to do.

Mr. PAYNE. Is that just for New York City or is it for all school districts in the State?

Ms. CONNELL. Across the State, the school districts follow State procurement policies.

Mr. PAYNE. But the exemption. Is that only for New York City or is it for the entire State?

Ms. CONNELL. Well, they do. They fashion legislation exempting New York but I believe they also fashion exemptions for other municipalities and also other school districts. It's pretty routine.

In the 1989–1990 school year, the New York City Board of Education spent $1,701 per student transported by bus, the highest cost of any school system surveyed according to The New York Times. So with all of the exemptions to competitive bidding, the argument, of course, is that because of collusion it will be more expensive to

competitively let the contracts. But yet when you actually look at the figures, it's a very expensive transportation system.

While EPP is still trying to sort out and understand school bus contracting issues, the New York City school system allows its contractors to determine bus routes for general education transportation; not in special education, but in general education. We then contacted three transportation experts who told us that this was a highly unusual practice, in fact, unheard of in their experience. This unorthodox practice by the Office of Pupil Transportation is akin to inviting a department store to an empty apartment and telling the salesperson to buy all the furnishings.

Just to give you an example of what better routing can do, the Hempstead, Long Island school district reduced its buses by a third through better routing. The new special education bus routing by the Oklahoma public school district reduced costs by 25 percent and the average travel time was reduced for a majority of students. In the past, some of the Oklahoma students traveled an hour and a half. That's very common for New York City special education students, by the way. Now the maximum travel time is 45 minutes.

In the past, tolerance of these inefficiencies could be explained because the State reimbursed the City school district for 90 percent of the cost of transportation. Since 1991, the State has reduced its reimbursement to 50 percent. The Board of Education's $100 million problem has now grown into a $300 million problem. And, again, these are moneys that could go to instruction.

To date, we have seen no leadership in attempting to solve this problem but we remain hopeful with the different agencies.

The school custodial services is the second issue. While EPP, to date, has been very dissatisfied with the Board of Education's lack of strategy to reduce costs in school bus transportation, we believe that Chancellor Fernandez has developed a workable and practical strategy to improve the quality of custodial services in the schools while reducing costs. We will be watching very closely during the upcoming transition in administrations whether this strategy is continued or abandoned.

Since so much has been documented about the abuses of the school custodial system in New York City, I will only touch upon what we find of merit in the Chancellor's strategy to correct these abuses.

The real problem with the New York City public schools' custodial workforce is that they are treated as both employees and independent contractors by law. Only Buffalo has a similar system, and it has had similar negative consequences.

What the Chancellor has done is to look at schools that currently do not have a custodian and to contract out these services with a real contractor rather than a quasi-contractor. While EPP members have some concerns with this strategy, given what happened when the school system began contracting out school bus services, we have looked at the requirements for contractors and believe that they provide better guarantees for quality of service and lower costs than can be secured through a collective bargaining agreement with quasi-contractors.

By the way, there seems to be State legislation in the works on this. And I would, again, think that this merits review. Both what

happens under a new chancellor and legislation in Albany to "solve the problem" can sometimes not do so.

The third and last area I want to talk about is schoolbooks. Our initial investigations into schoolbook purchasing practices have uncovered the fact that it is very difficult for principals to purchase books from book dealers who can discount books at 50 percent or who have complete sets of used books at modest prices. The Board of Education has set a maximum contract ceiling of $50,000 for purchases from book dealers. Most principals do not even know that they can purchase books from these dealers so instead the principals are forced to purchase more limited supplies directly from publishers at $20 to $25 per book. Library books can only be purchased if they have library quality binding which means $35 to $50 a book. And the NYSTL allocation is $25. These restrictions make no sense, since the school system's problems with textbooks and library books involve high replacement rates.

Interestingly enough, in one of the U.S. Presidential campaign debates, Ross Perot alluded to the "gentlemen's agreement" between most school systems and the publishing industry that encourages the purchase of books at the highest cost. So it's not just New York City's problem.

This brings me to my concluding remarks. Title III of H.R. 856, outlining the establishment of National Institutes of Research, including a National Institute for Innovation in Education Governance, Finance and Management, holds some promise that sustained investigation into areas of schoolbus transportation, facilities management and schoolbook purchasing would ultimately yield a body of knowledge and the possibility of nationwide standards for school contracting and purchasing that could save school systems across the Nation hundreds of millions of dollars each year.

The need for this particular Institute in Title III seems particularly striking to us. As a small watchdog organization, information on school contracting and purchasing practices in other school districts has been somewhat difficult to come by. One of the characteristics of all school systems is that a lay body of decisionmakers, that is, members of local school boards, often must give final approval of purchases or contracts worth millions of dollars. If the full-time staff of EPP finds it difficult to locate clearinghouses for selected information on school purchasing and contracting, we can only imagine how difficult it is for part-time, largely volunteer school board members, despite the assistance and training they get from the National School Board Association.

And by the way, school board members across the county approve expenditures of $220 billion a year with very little training or review.

I must conclude with a statement to put my testimony in proper perspective. For many years, there's been a cottage industry in New York City of exposing the corruption, abuses and inefficiencies of the Board of Education. The intent is good, but sometimes the result tends to obfuscate the real reasons why New York City schools are in a state of disrepair and why there aren't enough textbooks for students.

There are only two large urban education systems in this Nation where the average per pupil expenditure is below that of the State,

Baltimore and New York City. Funding disparities in New York State are now among the worst in the Nation. But Albany is only part of the problem. New York City makes the lowest contribution on a proportional basis to its public school than any other locality in the State of New York, that is, 22 percent in contrast to a rest-of-State average for counties of 50 percent.

If, by some miracle, all the inefficiencies of the New York City Board of Education were eliminated in one fell swoop—let's say for a savings of $500 million a year, in other words, we believe that about a half a billion dollars could be saved through a variety of strategies, this would only reduce by $500 dollars the $2,900 gap in average per pupil expenditures between suburban school systems and the City's. Calls for greater efficiency must not mask the even more urgent need to develop equity funding.

[The prepared statement of Ms. Connell follows:]

I am Noreen Connell, Executive Director of the Educational Priorities Panel, a coalition of 27 civic organizations that have worked together for 17 years to ensure that the maximum resources available to the New York City public schools go to student instruction and services. I will briefly outline three areas where we believe that greater efficiency in administration would produce both significant savings and significant improvements in the quality of services and goods that students receive through the educational system.

At this time, EPP has no way of calculating in any meaningful detail whether this school district is more inefficient or less inefficient than other school districts in the state. While 32 community school districts are responsible for administering elementary and middle schools, the central Board of Education has retained responsibility for the high schools, many special education services, purchasing, building maintenance and repairs, food service, security, personnel, and most budget functions. With almost a million students in the system, there should be an economy of scale in both purchasing and contracting functions. Yet, according to annual statistics compiled by the State Comptroller's office, the New York City school district spends 8% of its total budget on transportation, compared to a rest-of-state average of 6 %, and spends 3.9% of its total budget on food services, compared to a rest-of-state average of 2%. These comparisons, however, are very crude calculations. At this point, I would like to detail some of the perennial problems in administration that have plagued the New York City school system.

School Bus Transportation

At one point in its history, the Board of Education owned its own school buses, and the drivers were Board of Education employees. From the inception of contracting out for these services, there have been allegations of corruption and of involvement in organized crime by both the bus company owners and the unions representing drivers. While the civic community has never had the resources or the expertise to investigate these allegations, it has protested repeated attempts by bus company owners to monopolize most of the contracts and to secure contracts of maximum

duration. In 1975, the Community Service Society published "Detour to Education: The Transportation Troubles of Handicapped School Children" and succeeded in blocking legislation in Albany that would have awarded special education transportation contracts for a period of ten years. The argument made then by Board of Education officials with little or no embarrassment was the same still heard today, which is that competitive bidding will only increase the costs of contracts and that the better strategy is to extend contracts and to negotiate incremental increases with a limited number of contractors. The unstated assumption made then and now is that there is a pattern of collusive bidding among contractors.

In 1979, Florence Flast, a former president of the United Parents Associations who had been appointed to administer school transportation, got the support of Chancellor Macchiarola and Mayor Koch to attempt to break the monopoly of Varsity Transit on school bus contracts. Ed Arrigoni, the owner of Varsity, was represented by lawyers Roy Cohn and Stanley Friedman. There ensued a three month strike by Local 1181 that ended in an agreement to provide recognition of industry-wide seniority, wage, and pension protections for Local 1181 drivers even by employers without a unionized workforce. This "Mollen Agreement" language was included in the contracts let after the strike was settled.

Since 1979, there has been virtually no competitive bidding of school transportation contracts. The nine general education contractors that bid for those contracts 14 years ago have received three-year contract extensions ever since by virtue of the passage of legislation in Albany exempting the New York City Board of Education from State Education Law requirements for competitive bidding. This continued practice of contract extensions flies in the face of sound business practice and the principles of government procurement policies. And the results bear out this assertion. A December 16, 1990 article in The New York Times reported that the newspaper had conducted a survey of the largest school systems in the nation. Virtually all of them, with the exception of New York, either owned their own rolling stock and/or relied on competitive bidding with outside contractors. In the 1989-90 school year the New

York City Board of Education spent $1,701 per student transported by bus, the highest cost of any school system surveyed.

Before the 1979 strike, the rationale for restricting the practice of competitive bidding was just that, a rationale without any foundation in fact other than sound inferences that collusion among bus contractors was probable. Since 1989, it has acquired a quasi-legal rationale. Here is the reasoning we have heard from several sources: Since the "Mollen Agreement" language may be in violation of ERISA, Federal Preemption, and NLRB rulings, this language should not be included in any new contracts. But without this language, Local 1118 will again go out on strike. So the new reasoning is that competitive bidding will not only drive up costs but is "impossible." What interests us about this quasi-legal argument is that last year contracts for the transportaton of pre-school handicapped children were extended and not competitively let (yet another exemption through state legislative action). These contracts did not contain "Mollen agreement" language, but Local 1118 did not strike. Instead, it was the bus contractors, represented by lawyer Sid Daviddoff, that went on strike until it was certain that the legislation in Albany would pass.

While EPP is still trying to sort out and understand school bus contracting issues, we have also been looking into another area of the administration of the Board of Education's transportatation system. In 1991, we conducted a survey of five large school bus systems in the nation. Virtually of them develop general education school bus routes, most with the help of computer systems that they purchased or with the help of a company hired to do routing. The New York City school system, on the other hand, allows its contractors to determine bus routes for general education transportation. We then contacted three transportation experts who told us that this was a highly unusual practice, in fact, unheard of in their experience. This unorthodox practice by the Office of Pupil Transportation is akin to inviting a department store to an empty apartment and telling the salesperson to buy all the furnishings. For this reason, EPP strongly advocated the funding of a computerizied system to do both general education and special education bus routing. While most other school systems have taken two years to complete the transition to

computerization and have started first with systems for general education routing, because it is simpler, New York's CATS system will take five years and will start with special education routing first. It should be noted that better bus routing can bring both significant savings and reductions in travel time for children. The Hempstead, Long Island school district reduced it's buses by a third through better routing. New special education bus routing by the Oklahoma City public school district reduced costs by 25% and average travel time was reduced for a majority of students. In the past, some of the Oklahoma students traveled an hour and a half (common for New York City's special education students), now the maximum travel time is 45 minutes.

There are a variety of other problems that we have identified in this school district's administration of transportation, but they are minor in comparison to the excess costs created by the Board of Education's contracting procedures and routing practices. In the past, tolerance of these inefficiencies could be explained because the state reimbursed the city's school district for 90% of the costs of transportation. Since 1991, the state has reduced its reimbursement to 50%. The Board of Education's $100 million problem now has grown into a $300 million problem. This school year, when the New York City Board of Education did not experience major cuts, instructional budgets were still bare bones. In essence, the lower state reimbursement rate for school bus transportation has represented a significant reduction in funds available for instruction. Something must be done. New York City children cannot afford to continue to have the highest student-to-teacher ratio in the state and the highest student transportation rates in the state.

EPP members are awaiting any signs from Board of Education officials that they are prepared to develop the beginnings of a strategy to reduce transportation costs. We also awaiting any signs from the law enforcement community for the beginnings of an intensive investigation into the ownership and control of existing bus companies. And finally, we are awaiting the leadership of any public official brave enough to question the prerogatives of a few school bus owners to monopolize contracts and determine general education bus routes.

4

School Custodial Services

While EPP, to date, has been very dissatisfied with the Board of Education officials' lack of a strategy to reduce costs in school bus transportation, we believe that Chancellor Fernandez has developed a workable and practical strategy to improve the quality of custodial services in the schools while reducing costs. We will be watching very closely during the upcoming transition of administrations whether this strategy is continued or abandoned. Since so much has been documented about the abuses of the school custodial system in New York City, I will only touch upon what may not be clearly understood by the general public and what we find of merit in the Chancellor's strategy to correct these abuses.

Despite the decentralization of the system of elementary and middle schools, the central office of the Board of Education owns the school buildings and is responsible for their upkeep and repair. School custodians are on the central payroll and are not supervised by either building principals or even by community school district superintendents. Their immediate supervisors, a layer of management created just a few years ago mostly from among the ranks of former custodians, are plant managers who also are central office employees.

Contrary to the thrust of countless exposes on the failings of New York City school custodians, it is fairly common for large institutions to have managers of facilities reporting to a central authority and not building occupants because maintenance is not quite as simple and uncomplicated a set of tasks as might be assumed. What plagues the New York City public school system is not that principals cannot hire or fire custodians, but that 1) salaries of custodians are among the highest in the nation, 2) the task requirements of custodians are limited, 3) custodians restrict after-school use of buildings, and 4) poor performance seemingly has no consequences. What seems a mystery to EPP and other reform groups that have looked into these issues is that all four problems have solutions, some of them have even been put into practice, but the results remain disappointing. In the last collective bargaining agreement with the custodial union, entry level

salaries were reduced to $35,000. The limited tasks required by agreements drawn up during the city's fiscal crisis in 1975-76 can be expanded by new agreements. (It should be noted that in some respects custodians have taken the rap for underfunding of building repairs and maintenance. A July 1989 report by State Education Commissioner Sobol found that while the city was spending $2.21 per square foot to maintain its municipal buildings, it was only spending $.63 per square foot to maintain its school buildings.) The last collective bargaining agreement did not include an increase in required tasks, but it did eliminate the collection of fees for after-school use of buildings by custodians. The custodians' union is correct when it states that custodians' only responsibility is to check if the space is being used by other groups and to schedule their workers. Yet opening fees are still being charged by districts, which not only increase the costs of non-profit organizations throughout the city but restrict the community's use of school buildings. The last issue, why custodians seemly can't be fired remains a mystery. As non-pedagogues they are not covered by the 3020-a procedures. Custodians can and have been fired for poor performance.

The real problem with the New York City public schools' custodial workforce is that they are treated as both employees and independent contractors by law. Only Buffalo has a similar system, and it has had similar negative consequences. What the Chancellor has done is to look at schools that currently do not have a custodian and to contract out these services with a real contractor rather than a quasi-contractor. While EPP members have some concerns with this strategy, given what happened when the school system began contracting out school bus service, we have looked at the requirements for contractors and believe that they provide better guarantees for quality of service and lower costs than can be secured through a collective bargaining agreement with quasi-contractors.

School Books

Our last instance of where administration could be improved is in the purchasing of textbooks. For two years, the Educational Priorities Panel has conducted phone surveys in the spring of newly hired teachers. We

have long known of textbook shortages because the state's NYSTL allocation of $25 per student is now too low to keep schools adequately supplied with books. But now we are alarmed to learn from some of these new teachers that their elementary, middle, and high schools have adopted policies whereby students are not allowed to take any books home with them. In one instance, a teacher told us that the students are not allowed to even check out library books. A City Councilmember has introduced a bill to require the Board of Education to supplement the state allocation with its own funds. Unfortunately, at this time, this bill does not look like it will pass. But lack of funds is not the only reason that there are not enough books per student. Our initial investigations into school book purchasing practices have uncovered the fact that it is very difficult for principals to purchase books from book dealers who can discount books at 50% or who have complete sets of used books at modest prices. The Board of Education has set a maximum contract ceiling of $50,000 for purchases from book dealers. Most principals do not even know that they can purchase books from these dealers so instead the the principals are forced to purchase more limited supplies directly from publishers at $20 to $25 per book. Library books can only be purchased if they have library quality binding, which means $35 to $50 a book. These restrictions make no sense, since the school systems problems with textbooks and library books are high replacement rates.

Interestingly enough, in one of the U.S. Presidential campaign debates, Ross Perot alluded to the "gentlemen's agreement" between most school systems and the publishing industry that encourages the purchase of books at the highest cost. Those familiar with the publishing industry assert that if school systems were more efficient in their purchasing of books, the thin profit margin in this area would be eliminated and publishing houses would be forced to close these divisions.

This brings me to my concluding remarks. Title III of H.R.856, outlining the establishment of a National Institutes of Research, including a National Institute for Innovation in Education Governance, Finance and Management, holds some promise that sustained investigation into areas of school bus transportation, facilities management, and school book

purchasing would ultimately yield a body of knowledge and the possibility for nation-wide standards for school contracting and purchasing that could save school systems across the nation hundreds of millions of dollars each year. Of course, there is the danger that industry could co-opt the integrity of the findings, as they have in other government agencies. There is also the probability that some school systems would choose to ignore the research findings and standards developed by the National Institute. Certainly, EPP has been discouraged by the lack of response to assessments of the lack of effectiveness of Chapter 1 remediation programs.

Nevertheless, the need for this particular Institute in Title III seems particularly striking to us for two reasons. 1) As a small watchdog organization, information on school contracting and purchasing practices in other school districts has been somewhat difficult to come by. One of the characteristics of all school systems is that a lay body of decision makers, that is, members of local school boards, often must give final approval of purchases or contracts worth millions of dollars. If the full-time staff of EPP finds it difficult to locate clearing houses for selected information on school purchasing and contracting, we can imagine how difficult it is for part-time, largely volunteer school board members, despite the assistance and training they get from the National School Board Association. 2) The second reason for our enthusiasm is that in reviewing business consultants' reports conducted either *pro bono* or for a hefty fee for the New York City Board of Education, we have been struck by how often these business consultants are unfamiliar with the complexities of school systems. In New York, especially, education is not only highly regulated but also highly legislated. If a National Institute were established on school management practices, I am sure that consultants would not go out of business, but they would start with a higher level of knowledge and some "re-inventing the wheel" would end.

I must conclude with the statement to put my testimony in proper perspective. For many years there has been a cottage of industry in New York City of exposing the corruption, abuses, and inefficiencies of the Board of Education. The intent is good, but sometimes the result tends to obfuscate the real reasons why New York City schools are in a state of

disrepair and why there aren't enough textbooks for students. There are only two large urban education systems in this nation where the average per-pupil expenditures is below that of the state: Baltimore and New York City. Funding disparities in New York State are now among the worst in the nation. But Albany is only part of the problem. New York City makes the lowest contribution on a proportional basis to its public schools than any other locality in the state of New York, 22%, in contrast to a rest-of-state average for countries of 50%. If, by some miracle, all the inefficiencies of the New York City Board of Education were eliminated in one fell swoop -- let's say for a savings of $500 million a year -- this would only reduce by $500 dollars the $2,900 gap in average per-pupil expenditures between suburban school systems and the city's. Calls for greater efficiency must not mask the even more urgent need to develop equitable funding.

Chairman OWENS. Thank you. I want to thank both of our witnesses and address the first question to both of you.

I think, Ms. Connell, you've indicated that if we don't stop the State legislation, the answer to my question will be a negative one. Is there any existing law which states that the contract with the custodians has to be negotiated? Does the City have the option of just dropping the contract and going to privatization if they want to right now? The State legislation may pass a law saying they must not privatize if we're not careful. At this point, however, is there any law which prevents them from going wholesale into privatization?

Ms. CONNELL. At the City Council hearing last Thursday, Stan Litow testified that the City's peg targets for the Board of Education included privatization in 200 schools and he believed that it could only happen where there was a vacancy of a custodian.

Chairman OWENS. He believed. I'm asking if anybody knows anything about the law?

Ms. CONNELL. I don't know.

Mr. STANCIK. I'm not an expert, Mr. Chairman, in labor law. It is my understanding, however, that it is not legally permissible to completely abandon the contract at this point and privatize all the schools. I place as an important caveat that I'm not an expert in this area, but that is my understanding.

Chairman OWENS. You mentioned that since your November report you've uncovered some additional abuses that you didn't treat in the report. Do you want to clarify that for me please?

Mr. STANCIK. Yes, remember that the custodian gets the budget for his office payable to him personally.

And by the way, I used the masculine pronoun for a good reason. To my knowledge, there are no more than two or three female custodians out of the entire 1,000 which I think is something that has escaped much comment. I also think that because the custodial operation tends to be father-to-son, there's a very scarce representation of minorities as well.

But in any case, the budget comes to the custodian personally. The rule prior to the mid-1970s was that the amount the custodian could spend on supplies was limited to 2 percent of the overall budget. Obviously, part of the reason for that was to control the risk of custodians spending the budget for things they were going to use themselves.

In the mid-1970s, there was a concession at the bargaining table that the 2 percent rule would only apply to non-expendable goods; the difference being that a non-expendable good might be, for example, a lawn mower or snow blower whereas an expendable good would be floor wax or detergent of some sort. So, the feeling was that expendables were important enough that they would abolish the 2 percent limitation.

What that made possible was custodians could buy non-expendables and simply get the vendor to write them up as if they were expendable. Simple case: You want to buy a lawnmower for your house when you're a custodian but you've got this 2 percent limit on non-expendables. What you do is you go to the vendor, who's very happy and desirous of keeping your repeat business, who

writes up your lawnmower as if it were floor wax. Therefore, you can evade the 2 percent rule and walk away with the lawnmower.

Over the course of our investigation, we secured the cooperation of a custodian who pleaded guilty to criminal charges in connection with the investigation. He admitted that he had done this practice on a number of occasions and through his approach he had bought, amongst other things, a $700 radio for his boat, a $200 pneumatic nailer for his home, and a $250 cross meteor electric saw. All of these purchased, if you will, by the floor wax exception.

I find it particularly interesting that he spent $700 for a radio for his boat. It was bad enough that our previous investigation showed that one of his custodians was relaxing on his boat during the workday, but now we have the possibility that the Board of Education had to pay for the radio.

Again, these schemes are so simple that it strikes us as a risk that is going on in many more locations. And the custodian we worked with told us that the minute that the concession was agreed to at the bargaining table at the union hall, they were all saying that this was going to leave the door wide open. So clearly the opportunity for this abuse is well known within the ranks of the custodians.

Again, this is an abuse that stems from the total control they have over purchasing and budgets. Comments I've heard earlier from Ms. Connell and also from Comptroller Holtzman about the lack of professionalism in purchasing and administration bear in here as well. Also this is an area which shows the need for increased auditing.

So, this is a problem that we did not report on in our November report because we had, frankly, some investigative things being done in the field which prohibited us from releasing this. But, we want the subcommittee to know about this today just to amplify that there's yet another scheme by which custodians can take money that should go to the education of children and put it to their personal use.

Chairman OWENS. Mr. Stancik, you mentioned that you would welcome some Federal help in terms of investigating and highlighting these kinds of abuses. Does the State Commission of Education provide any help?

Mr. STANCIK. Not for us, no.

Chairman OWENS. The State Commission of Education has not been concerned at all about these abuses?

Mr. STANCIK. I'm not sure that they're not concerned about it but in any case we get no help from the State whatsoever to investigate these abuses. And so the simple answer is no. I do think that they may well be concerned about these issues but certainly it's not benefiting us in our investigation.

Chairman OWENS. Let me ask the question a different way. Do they have an equivalent to you on the State level to investigate this?

Mr. STANCIK. Not to my knowledge, no. In fact, I believe that this is the only independent investigative agency in the Nation investigating corruption in the school system. In other systems, there might be an in-house inspector general office but there is no inde-

pendent investigative agency. I believe we're the only one in the Nation.

Chairman OWENS. Since your report was issued, have you been consulted by the Mayor's office or the Board of Education as they have moved to correct these abuses?

Mr. STANCIK. We have been and I would say that on the whole, I agree with Deputy Chancellor Litow that the Board has done a good job in implementing the recommendations that they can without addressing the problems at the bargaining table.

Chairman OWENS. Ms. Connell, I missed a statement you made about the comparison of transportation costs here with transportation cost in the rest of the State. Can you give me that figure again?

Ms. CONNELL. The New York City Board of Education spends 8 percent of its total budget on transportation.

Chairman OWENS. Compared to the rest of the State?

Ms. CONNELL. Six percent.

Chairman OWENS. Six percent.

Ms. CONNELL. Right. It's total expenditures in this area, I don't have the exact figure, but it's around $500—or over $500 million, go to school bus contracts, special education and general education from New York City. That's half a billion dollars. Ninety percent of that used to be reimbursed by the State. Now it's——

Chairman OWENS. Fifty percent.

Ms. CONNELL. [continuing] fifty percent. And some of the expenditures by the New York City Board of Education for field trips, for picking up students less than a mile and half from home, are not reimbursed by the State. So it's actually less than 50 percent.

Chairman OWENS. Would you say on the basis of work you've been doing over the years, Ms. Connell, that costs like that given the massive volume that we're dealing with in terms of the number of students, number of schools, should always be far lower than the rest of the State?

Ms. CONNELL. Well, interestingly enough, in comparison to suburban areas, the New York City schoolbus drivers are unionized. So comparisons between New York and some suburban areas are unfair because you're comparing apples to oranges.

Chairman OWENS. Well, that's not my question.

Ms. CONNELL. Okay. Well, what was your question then?

Chairman OWENS. Given the fact that we're transporting so many students and the system is so large, given the fact that each day we feed so many students and the system is so large, shouldn't our cost be less than the others?

Ms. CONNELL. Yes, exactly. That's right. And also we have a centralized system. That's the reason that the central board has these functions. So that it's lower. So that 32 districts aren't contracting for buses. So that 32 districts aren't purchasing foods. So there should be a tremendous economy of scale which we do not see.

Chairman OWENS. Would you recommend that they consider letting 32 districts do their own food services if they could to it at a cheaper cost?

Ms. CONNELL. Well, every time there's the discussion of that, the cry comes up, "Oh, the corruption! The corruption!"

Chairman OWENS. You don't want local corruption. You want centralized corruption.

Ms. CONNELL. That's right. Exactly. And so that's the feeling that, in fact, they should remain centralized functions, including custodial workforces. So it's a question of whether there's economy of scale, whether they're doing it right, a lot of large questions about that.

Chairman OWENS. Mr. Payne.

Mr. PAYNE. I think you covered everything. I heard somewhere that there was a part of the equipment that custodians could purchase for reimbursement, for instance, a vehicle like a jeep. How does the jeep theory work?

Mr. STANCIK. Well, currently, as I understand it, the Chancellor has required that any request for a jeep come through him personally, and through that, the practice has been stopped. That is my understanding at this point.

But in essence, the argument is, and it's not one that I would make, that because New York is at risk to a large number of snow storms, it is important that these jeeps be available for a plowing function. And I hate to be in the position of even voicing this argument. But that's the argument that is made. And after 5 years, of course, the custodian gets to keep the jeep.

But also the other issue that we have to face here is that this jeep is their personal car for getting too and from work at a minimum. So I mean it's awful nice during that five year period, even before you own the jeep, to be able to go to work in it every day and that's assuming that when they're not at work that that jeep is not being used.

Chairman OWENS. Did you happen to check how many times we had snow in the last 5 years that required a jeep to sweep it off?

Mr. STANCIK. I'm from Chicago originally, so I can tell you that we don't get quite as much snow here in New York as I was used to in Chicago. And it's almost always gone by the next day and I don't think that's the result of New York City school system jeeps plowing.

Chairman OWENS. Thank you. Mr. Payne.

Mr. PAYNE. Do you have any flooding?

Mr. STANCIK. I'm not familiar with that.

Mr. PAYNE. I'm just being facetious. I have to buy a boat, you know.

Mr. STANCIK. Exactly.

Mr. PAYNE. It certainly highlights the abuses.

In his book, Jonathan Kozol talked about Colin Powell's former school. A year prior to Mr. Kozol's visit there, they talked about a hole in the roof where they needed a big bucket to catch the water. When Mr. Kozol visited the school in the South Bronx a year later, that same bucket—which fills up to the top when it rains—was still there. I think that it may not be the custodian's job to fix the hole in the roof, but it certainly is connected.

You stated in your discussion that we need to close the door on these loopholes. I haven't followed too closely the findings that Mr. Fernandez was actually doing while he was Chancellor, but it seems that he started the ball rolling. Looks like that's a way to lose a job in New York. It just doesn't seem to make sense when we

hear about the Chancellor being tough and working out abuses, and then you read The New York Times and find out that the chancellor can't get a fifth vote. So I don't understand.

And if you're going to make it a prerequisite for the new chancellor to read the newspaper accounts, he'd be afraid to do a good job. I mean who would take job where you get terminated because you succeed?

But this is New York City and I'm not that familiar with how things work here. Seems like a great place to do business though. Might be the economic stimulus plan that the President needs.

Chairman OWENS. If you're centralized and big enough and white enough, then yes, it's a great place to do business.

Mr. PAYNE. Right. I can see that.

And I think just in conclusion what I would like to say is that I read the paper where Al Sharpton looked at bus companies being able to select their own routes. Al Sharpton had a march, and only his route inconvenienced a few people. He's spending 45 days in jail.

Where you say we ought to close the door on some of these abuses in your testimony, we need to close the door and lock it in some prisons for some of these custodians and that would stop the abuse. If there is nothing that's going to happen there's no way you're going to stop it. The answer is not necessarily finding a way to get them out on private contracts. They need to get some, and put them in jail; furthermore, they need to tell them that if you do it, then we're coming after you.

But to fool around and play around when kids are not learning, they're losing a whole generation: We wonder why kids go to school and act up and disrupt it, because it's by example. It just makes no sense, like I said before, moving into the twenty-first century and we've got archaic, medieval systems going on in the City. It's a disgrace.

I have no further questions.

Chairman OWENS. Well, I thank the gentleman. I want to thank our witnesses.

There are a number of questions that we could not explore more fully because of time. We would like to submit additional questions in writing.

Mr. STANCIK. Thank you, Mr. Chairman and Representative Payne.

Chairman OWENS. We're going to proceed now to our second panel which will be focusing on a separate topic: The development of a multicultural curriculum or curriculum of inclusion.

We are pleased to have with us today the following witnesses: the Honorable Adelaide Sanford, New York Sate Board of Regents; the Honorable Argie K. Johnson, Deputy Chancellor of New York City Board of Education; Mr. Bob Law, the Director of Respect Yourself Youth Organization; and the Honorable Priscilla Wooten, the Councilwoman Chair of the Education Commission of the New York City Council.

Please take seats.

[Pause.]

Chairman OWENS. We have testimony from some of the witnesses and we will have the testimony entered into the record in its entirety.

We want to thank you for being here. You all are very busy people and we appreciate your taking this time out to help us move forward on our legislation; in this case, the component which focuses on the Institute for the Education of At-Risk Students.

In my opening statement, I mentioned that a variety of concerns would be pinpointed under that Institute. One of the concerns will be the development of curricula which deal with the problems that our students face in school with respect to self-esteem, a sense of self-worth, motivation, et cetera.

We're pleased to have Mr. Bob Law to begin. Mr. Law is Director of Respect Yourself Youth Organization and is known throughout most of the country as a result of his radio broadcast and for his long-term and intense interest in the subject. Mr. Law.

No, I'm sorry. Ms. Johnson has a time problem. I'm sorry. If you don't mind, Mr. Law.

Mr. LAW. No, it's fine.

Chairman OWENS. Ms. Johnson has a time problem and has to leave so I would like to ask her to give us her testimony first. We'll take a few questions and then let her go.

I thank you for making the effort to be here, Ms. Johnson.

STATEMENT OF ARGIE K. JOHNSON, DEPUTY CHANCELLOR OF INSTRUCTION, NEW YORK CITY BOARD OF EDUCATION, BROOKLYN, NEW YORK

Ms. JOHNSON. Thank you very much Congressman Owens. It's a pleasure for me to have the opportunity to present to you today.

I will not be able to stay as you said. But I want to talk about the Board of Education's efforts in dealing with students at-risk as it relates to developing an education for a multicultural society.

You know that I have been the Deputy Chancellor for Curriculum for the past 8 months and we've been working very hard to develop a multicultural curriculum, but everyone in New York knows all of the furor that has grown out of the Rainbow Curriculum which delayed our implementation plans somewhat as we revised that curriculum.

Chairman OWENS. Can you move the second mike over?

Ms. JOHNSON. As we revised that curriculum and sent out the second draft for review by the various constituency groups.

But I want to begin by saying that you mentioned The Curriculum for Inclusion. As it appears, it is not a curriculum but a guideline from which curriculum can be developed. The Board of Education is on record as saying that guideline will be used to develop all multicultural education curriculum and we are moving forward with that.

But, up to this year, we have had a very limited staff of about three people. That staff will be moving to ten including the secretaries. So we will have seven staff members and three secretaries that will be responsible for coordinating, developing the curriculum, staff development and for evaluating the results.

There is a great need for multicultural education curriculum in all urban areas and throughout this country and there are efforts on the part of several people, as you read the newspapers and as you listen to the media, that would lead one to believe that there's not a will to develop this curriculum. But if you know this City and the trouble that it is in now, there's a great need to develop the curriculum because in New York City we have about 160 different countries represented here and the students in our schools speak 127 different languages. Those students are at risk as well as our African American students and our Hispanic students who are native New Yorkers. And it is our responsibility and the Board of Education's to develop a curriculum that will allow and afford these students an opportunity to see the role that their ancestors have played in the development of this country.

So our goal is to implement a curriculum, not as a supplement to existing curriculum, that will look at each subject area content and infuse the contributions of the ethnic groups in that curriculum, especially the four major ethnic groups that are underrepresented as defined in the curriculum of inclusion: the African Americans, the Latinos, Native Americans, and Asian Americans.

We have brought in experts to help us to develop the curriculum. Often times there's a lot of discussion among the experts as to which things are factual and which things are not. So we have run into some problems with that but that is the reason that we send our draft copies of the curriculum out to a broad base constituency in New York so we can get input from everyone. And this is a new procedure that we implemented just as I came aboard. We feel that the next set of curricula, before they go out in final form, will have the input of many peoples.

There's one group of students that we're particularly concerned about who are highly at risk but are not given the kind of attention and curriculum development efforts that should be; those are the immigrant students who come from countries that speak English. There are no funds allocated specifically to deal with those students. Many of the students come to us illiterate and they, in turn, play catch up all the time.

So we are in communication with the State Education Department. Some Federal legislation is now being developed to present in Washington to deal with the immigrant students who come to us from English-speaking countries, often times without any previous schooling, many of them being in the middle schools and the high schools when they come to us.

I just want to give you a breakdown of the ethnic distribution of students in New York City. This year we have 37.8 percent African Americans, 35.3 percent Hispanic, 18.5 percent White, 8.3 percent Asian Pacific Islanders, and 0.1 percent Native American, which gives us an 81.5 percent minority. You know that whenever you hear "minority" that most students who are at risk are minority students.

So it is a responsibility of the Board of Education to maximize the participation of schools and institutions that serve the greatest number of at-risk students and include them in projects addressing the needs for at-risk students: In curriculum areas, in the area of

guidance and counseling. When we move to the parents, we're talking about affirmative action in terms of acquiring jobs and so forth.

The New York City public school system is committed to addressing the needs of our children and we have a timeline for which that should be developed. By the end of the summer, beginning in September, we would hope that our eighth grade Social Studies curriculum has been completed. We would have had a chance to develop the teachers over the summer so we can begin the school year with the eighth grade curriculum implemented.

The seventh grade curriculum has been out in the schools since 1991 but it still needs a lot of staff development because a lot of new teachers have come into the system since that curriculum was disseminated.

We feel very strongly that the multicultural education curriculum will serve as the vehicle to transform the New York City public schools, as well as New York City, by including cultural contributions of all of the ethnic groups which I just named.

And we do not have any choice about doing this because we have a mandate from the Board of Education now to provide an education that is multicultural, that must permeate the entire school system from the standpoint of policy to assessment to curriculum and instruction to staffing and teaching materials.

We have run into problems with the teaching materials that presently exist. We have attended many conferences. The most recent one was held by Mr. Law's group. Where the curriculum does not tell the true story about the various ethnic groups and their contribution to society, we are looking at that very closely and bringing in people to work with us in terms of transforming that curriculum.

This is going to take time because, as you know, we only get $25 per child per year for textbooks from the State, supplemented by a smaller amount for libraries. So it will take time to make that turnover. But with what we develop, along with other supplementary materials that we're identifying, we hope that within 3 years we can have textbooks and materials in the school which reflect the makeup of our New York public school system.

We are going to address not only the three R's but the importance of people as we teach the three R's. And we feel that because of the infusion of this curriculum, the students' self-esteem and self-worth will be raised and, therefore, increasing their achievement levels.

This year, for the first time, we have a Multicultural Education Office with more people than it had before. We just recently hired a director for that office and we feel that he will bring a different approach to multicultural education because he has had an extensive background in multicultural education at the high school level and at higher education. That office will offer technical assistance, curriculum development, professional and program development, parent and community involvement, and program and assessment evaluations to the entire school system.

The legislation which you have proposed seeks to identify, develop, evaluate, and assist us in these efforts so that the good things that are happening around the City can be replicated without going back and reinventing the wheel. It will also help us to identi-

fy resources that are already out there, that we will not have to develop, that can be used in our multicultural education curriculum.

Parent involvement is a very important part of this entire effort and through the Parent Involvement Office at the Board of Education we have made an attempt to train parents to work with other parents to help get this message across.

Let me talk a bit about technology. We are also using technology to disseminate what we are doing in many areas of our curriculum. The first technology piece that we broadcast through a STAR proposal that we developed was on multicultural education and that's done in conjunction with four cities: Atlanta, Washington, DC, Seattle, Washington, Philadelphia and New York. That was very successful.

We also want to look at the way we assess students because we know that students have different learning styles and we have to look at an array of assessment tools, not just pencil and paper and multiple choice. So we are looking at the hands-on kinds of assessments and portfolio development that will be evaluated by teachers and used as part of student achievements.

This is a collaborative effort among businesses, parents, schools, community school districts and so forth, as we strive to bring this whole concept to all areas. We allocate to each community school district and the high school superintendents a grant so that they can also develop multicultural education projects each year. Those projects are evaluated and recommendations made to the districts before they are funded for the next year.

So I want you to know that I applaud the efforts on the part of the legislators to give credence to this whole area of multicultural education because as I said in the beginning, it's long overdue. And I feel that if we do not make an impact on our students now, and the earlier the better, we will be in more trouble in 10 years than we are now. So we have that responsibility to do that in spite of the fiscal difficulties that we have had over the years. We are facing another $150 million budget cut, but there's a commitment on the part of education to keep providing funds for the development of the multicultural education curriculum.

Not only do we want to develop the curriculum, we want to monitor it to see that it is being taught. As we all know, if it's not monitored, it is not taught. And we are committed to doing that.

My goal is to have multicultural education curriculum from K to 12 in at least three content areas within 3 years: Math, science, and social studies. Then we will move on to the language arts, the arts, the sciences, and so forth.

So, again, I applaud you. As we conduct this research and develop curriculum and disseminate it across this country, I think we will be making a strong statement to the world that we are making a commitment, that we recognize that all groups have made a contribution to society and need to be applauded for that.

[The prepared statement of Ms. Johnson follows:]

Argie K. Johnson

Thank you for providing me, and other citizens and leaders, with the opportunity to testify before you on the proposed National Institute for the Education of At-Risk Students. The issues before us -- those of equal access for all students to a high-quality multicultural education -- are the critical issues of our times. I am very pleased to have this chance to speak to you today.

I am Argie K. Johnson, the Deputy Chancellor for Instruction for the New York City Public Schools, a position I have held for the last eight and one half months. I was born and raised in North Carolina, and graduated from one of the historically black Colleges and Universities, Johnson C. Smith. When I moved to New York, I initially pursued a career as a research biochemist. Later, because of my commitment and concern for our future, the youth of our nation, I became a science teacher. Subsequently, I served as an assistant principal, principal, deputy superintendent, and then superintendent of Community School District 13 in Brooklyn. In July of 1992, I was asked by the Chancellor to assume the position of Deputy Chancellor for Instruction for the New York City Public Schools, the largest public school system in the nation. I am therefore quite familiar with urban schools, their problems, their successes and their potential.

The legislation being considered today seeks to address, and I quote: "an educational emergency" present in those urban districts with large concentrations of children who live in poverty. The New York City Public Schools serve some 972,146 students. Fifty-nine percent, or 544,744, are eligible for and receive free lunch, with another 7.5% or 75,099 receiving reduced-cost lunch. Forty percent, 383,979, receive public assistance, and a little less than half a percentage, 3,272 live in temporary housing. These students come from more than 160 different countries and speak more than 127 different languages. I would thus submit that the proposed

legislation addresses our school population and the needs that they face.

The purpose of the proposed legislation is to create a National Institute for the Education of At-Risk Students to, and again I quote: "carry out a coordinated and comprehensive program of research and development." The Institute basically will seek to "identify, develop, evaluate, and assist others to replicate and adapt interventions, programs, and models which promote greater achievement and educational success," as well as to "maximize the participation of those schools and institutions of higher education that serve the greatest number of at-risk students."

The New York City Public Schools, in our attempts to address the needs of our students, has developed initiatives in each area identified in the legislation. We have used our limited resources to develop quality educational experiences in which high expectations of student academic performances are set and met.

The New York City Public Schools are committed to addressing the needs of our youth. Multicultural education represents a comprehensive transformation of our system that we have undertaken. We are mandated by our Board to provide "Multicultural Education (that) will permeate every aspect of educational policy, including counseling programs, assessment and testing, curriculum and instruction, representative staffing at all levels, and teaching materials."

We define "an education that is multicultural" as a process whereby all students in our system, regardless of ethnicity, race, gender, sexual orientation or disability – ALL students – will acquire the knowledge, skills and attitudes necessary to become fully participating citizens in society. For us, the traditional three R's will be addressed through a curriculum that is multicultural. The intent of our approach is

to restructure the total school environment to maximize student achievement.

We are not simply speaking of enhancing the "self-esteem" of some students. We are intent on reinforcing the fact that knowledge is an essential component to understanding for ALL students. Knowledge of self and others will provide the basis of our understanding of differences among people, the basis of our understanding of those things common to all, and a framework for respect, out of which we and our students will be less likely to be agents fostering attitudes and/or actions that lead to discrimination.

Our Office of Multicultural Education is charged with providing technical assistance, curricula, professional and program development, parent and community involvement, and program assessment and evaluation. This year the Board of Education has increased resources to this Office to strengthen its ability to meet the needs of our large and extraordinarily diverse school system.

Your proposed legislation seeks to identify, develop, evaluate, and assist others to replicate and adapt interventions, programs and models in:

- instruction and educational practices
- means by which parent and community resources can be utilized
- training of teachers and other educational professionals
- effective uses of technology
- programs to promote gender equity
- methods of assessing the achievement of students
- maximizing the participation of schools and institutions of higher learning, including model collaborative programs.

The New York City Public Schools (NYCPS) have developed initiatives in each of these critical areas. As promising as these initiatives are, New York City's fiscal condition limits our ability to do all that is necessary to bring about success. As a way of illustrating our work in these areas, let me provide a sampling of our efforts:

A. PARENT INVOLVEMENT

In the area of parent involvement, the NYCPS have created an Office of Parent Involvement (OPI) at Central headquarters, which has a high priority and reports directly to the Chancellor. The purpose of this office is twofold:

1. To provide assistance and support for parents in their efforts to create a home environment that encourages intellectual growth and academic achievement;
2. To facilitate and encourage parental participation in the planning and implementation of educational programs on a school, borough and citywide basis.

The activities and initiatives of the OPI range from school-based programs to the implementation of system-wide policies. School system regulations, circulars, and program descriptions all require the active participation of New York City Public School parents. There are parent representatives on all Advisory Committees. Of particular note is our Parent Involvement Program, an initiative that funds, assists and monitors locally-based efforts designed to foster parent participation in school programs.

B. LIMITED ENGLISH PROFICIENT STUDENTS

A rapidly growing student population, particularly in urban schools, which is frequently classified as "at risk" is the limited English proficient (LEP) student

population. In NYCPS, for example, immigrant students from more than 160 countries arrive on virtually a daily basis from all parts of the world, speaking Spanish, Chinese, Russian, Haitian, Korean, Serbo-Croatian, Urdu, and other languages other than English. The majority of these newly-arrived students have limited proficiency in the English language. In the last school year, approximately 150,000 LEP students attended our schools.

New York State experienced the greatest increase of all states in the number of immigrant students entering schools between fiscal years 1989 and 1990. In that single year, the number of immigrant students increased by nearly 80 percent, from 56,285 to 100,769. The vast majority of these immigrant students are enrolled in the NYCPS. Therefore, one of the critical educational issues of immediate concern for us is the need to ensure adequate and appropriate educational services for the growing number of diverse linguistic groups entering our schools. It is imperative that local and national policies address the need for bilingual education, ESL and multicultural programs.

We must ensure equal access and opportunities for language-minority students to participate in all available educational programs. We also have an obligation to promote public awareness of the rich cultural and linguistic diversity of our population and the implications of this diversity for public schools. To promote equality of educational opportunity, we have an obligation to provide resources for bilingual and ESL instructional and support services for LEP students.

C. TEACHER TRAINING INITIATIVES

Prior to beginning their work, new teachers are involved in five days of training in

the summer. Topics covered relate to at-risk students and information on developing include self-esteem/motivation, multicultural education, conflict management, substance abuse prevention, and teacher-as-counselor. All new, uncertified teachers are provided with an experienced mentor teacher, and at least 20% of the more than 300 different in-service courses presented during the school year include topics related to at-risk students.

We are especially pleased with and hope to expand the Professional Development Laboratory (PDL), a promising pilot program that enables teachers in specific schools with high-risk populations to leave their classrooms for a three-week period to participate in a special training program while a master teacher takes their classes. These teachers then receive specialized training under the auspices of the PDL that addresses topics critical to the support of high-risk students.

D. TECHNOLOGY

The power of technology can be harnessed to assist all students in developing verbal and quantitative skills that will result in improved attendance and graduation from high school. The NYCPS enlists the aid of a variety of technologies to help establish an alternative environment to support learning for students who have previously experienced school difficulties.

An extensive technology program coordinated through the Office of Instructional Technology's field-based Technical Assistance Centers (TACs), prepares teachers, students and community members in the use of software such as word processing, database, spreadsheet and graphics programs and multi-media software applications.

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NYCENET, an electronic instructional bulletin board service, provides research databases as well as the "Electronic Partners" program facilitating communication among students throughout the nation and the world. NYCPS also use several comprehensive computer integrated learning systems that include specific software to improve basic skills, comprehensive student evaluations and management systems to enhance curriculum and increase students' marketable vocational skills.

Each of these programs can provide individualized curriculum and instruction that can bring students to a level of competency commensurate with their peers in the mainstream of the school. Students with long-term absences can use computer technology to review basic skills before returning to traditional classes. A home loan program of a computer and appropriate software for students with good attendance adds motivation and serves as an additional means to reinforce basic skills.

Evaluations have shown improved attendance, higher motivation and an increase in basic skills when technology is used as an integral part of a school's instructional program. The resources needed to maintain and extend such a program are essential to our efforts to educate students for the challenges of the twenty-first century.

E. ASSESSMENT

Our efforts in assessment are many and varied. As part of our emphasis on Mathematics and Science, we have introduced a comprehensive assessment system through the Office of Research Evaluation and Assessment. This system in Mathematics applies assessment from multiple strands of evidence, looking at achievement from different perspectives with different instruments, for example:

1. a new standardized multiple choice focus on the National Council on Teaching Mathematics standards for grades 2-8;
2. an open-ended performance assessment in which students' work in grade 7 is scored by teachers; this assessment program will be extended to grade 5 next year;
3. the use of portfolios in research and development, a project that is in its piloting stage.

We have developed and supported an innovative assessment program known as the Accountability Project in 80 schools. The Accountability Project enables school-based management teams to set local educational goals and objectives, and develop performance-based assessments to measure achievement in the specific areas they have targeted. It is our hope that the support and information on alternative assessment that has been developed through the Accountability Project will be disseminated throughout the city.

We have begun to implement an Early Childhood Language Development System known as the Primary Language Record. Through this project, observation and recording of the language development of students is closely monitored, teachers are trained in observation and documentation techniques, and student development and achievement is evaluated not through reliance on standardized tests, but on the basis of close observation.

F. COLLABORATIVE RELATIONSHIPS

In 1991 there were 1000 school/business partnerships in 400 schools. More than 1200 companies, government agencies and non-profit organizations have made important contributions to the NYCPS and to the individual success of many

students. To encourage school/business partnerships, we have developed a comprehensive program of priority-setting, information sharing, and technical assistance so that we can turn successful experiences in individual schools into momentum for collaboration and reform.

We have also developed the Community Achievement Project in the Schools (CAPS), a public-private partnership between the New York City Board of Education and The United Way of New York City. CAPS is a dropout prevention initiative that provides technical assistance to Community Based Organizations (CBOs), monitors the quality of services provided by CBOs, assists schools and CBOs in proposal development, develops appropriate criteria and guidelines for evaluating programs, reviews and evaluates proposals for school/CBO collaborations, and includes a fiscal reporting system. We are still in need of resources to sustain services and integrate dropout prevention activities with all education and support services provided to at-risk youths.

Through the Office of Multicultural Education, districts and superintendencies have been provided with curricular and other resources to develop local multicultural initiatives. Central to these initiatives is the establishment of linkages with colleges and community based organizations as resources for Community School Districts.

CONCLUSION

As I conclude, I want to state my position that the proposed legislation is not just necessary, but essential to this nation's future. And if priority must be given, I would like respectfully to suggest that we focus on the development aspect of this initiative. Research is essential and must be planned simultaneous with

development, but educators acknowledge that we are still in the developmental stage, and efforts must be focused to ensure continued progress in this area. The fiscal picture for education throughout the nation is quite disturbing. Currently, the New York City Public Schools are facing a 150 million dollar cut in a budget which has undergone tremendous cuts over the last two decades. The proposed Institute will be of great assistance as a resource for us and for educational systems throughout the nation.

We do need a "coordinated and comprehensive program of research and development" to improve educational opportunities not only for our urban students but for needy students throughout the nation. It is essential that we "identify, develop, evaluate, and assist others to replicate and adapt interventions, programs, and models which promote greater achievement and educational success." We can learn from each other and share what is known to work. We know more than we use, and the Institute can be pivotal in helping us not to "reinvent the wheel."

As we approach the twenty-first century, we can do no less for the young people and families that depend on our cities' public schools. We must maximize and actualize the potential of all students. In doing this, it is essential that we work with parents, community organizations, higher education and business in collaborative relationships that recognize that we share not only our goals, but also a joint future.

Chairman OWENS. Thank you, Ms. Johnson. I just have a few questions.

Ms. JOHNSON. Sure.

Chairman OWENS. Can you help me with the chronology. Some of what you said makes it sound as if this is a process that just began a few years ago. How far back did the first efforts towards development of this curriculum begin?

Ms. JOHNSON. In doing research, there was an effort by a lady named Edwina Johnson, whose name was given to me by Mr. Law, as far back as 1971.

Chairman OWENS. So, about 30 years.

Ms. JOHNSON. That's right. Thirty years ago. And we have been able to locate her. She has shared her materials with us and we are using that as we continue to build on what she had already started.

Chairman OWENS. But Edwina Johnson was kind of a renegade as far as the Board of Education was concerned. Do they have any kind of institutional approach initiated during the time that she was here or did they know her?

Ms. JOHNSON. What I do know is that the curriculum that she developed was presented to the State Education Commissioner at the time. But it never came out of the Commissioner's office for dissemination throughout the State. That is my understanding.

Chairman OWENS. When was the Board of Education's mandate? You mentioned you have a mandate now. When did that begin?

Ms. JOHNSON. They passed a resolution in 1985 and reconfirmed in 1989 that a multicultural curriculum should be developed and should cover disability conditions, ethnicity, gender.

Chairman OWENS. So the first mandate was issued in 1985.

Ms. JOHNSON. Started in 1985. That's right. And reaffirmed in 1989.

Chairman OWENS. And here we are in 1993.

Ms. JOHNSON. That's correct.

Chairman OWENS. Now the staffing pattern that you mentioned before, is that a recent development? You now have too little staff, more than ever before.

Ms. JOHNSON. More than ever before.

Chairman OWENS. How long have you had it?

Ms. JOHNSON. I'm not sure about this date for the office. I think about 5 years ago, which would be about 1987–1988, there were two people in the office.

Chairman OWENS. Now you have how many?

Ms. JOHNSON. Now there are four and we are interviewing for three more at this time which will be the seven; plus we're bringing on two other secretaries. We have one now and one part-time. So there have been efforts to do something; then it dies down, and then there's another surge, and then it dies down.

My commitment and the commitment of the Chancellor is to not let it die down but to complete the process so it will become institutionalized in the New York City public schools.

Chairman OWENS. Is this a herculean task which is being undertaken by the City Board of Education without any help from the State Commissioner's Office, the Board of Regents?

Ms. JOHNSON. Well, I don't know of any help from the Board of Regents.

Chairman OWENS. Didn't the Board of Regents appoint a committee? Wasn't there a report issued by the Commissioner panel?

Ms. JOHNSON. There was a report issued.

Chairman OWENS. Was that of any use in this process?

Ms. JOHNSON. Yes, that's the curriculum of inclusion guidelines that we are using. If you remember, there was a study done some years back. I've forgotten the exact year. As a matter of fact, the Commissioner had stated that he noticed that there were two different education systems in New York. One that was White and affluent, one that was predominantly Black and poor and that a study needed to be done. Indeed, that study was conducted and found this to be true. The curriculum of inclusion grew out of that whole study. But somewhere along the lines, there was a lot of opposition by several people that just derailed this whole effort that had been put together by experts from the four ethnic groups that I mentioned earlier. And so it was again sort of put aside. It is one of the best curriculum outlines that I have ever seen for developing curriculum for a multicultural society and that's why we are committed to moving forward using that as an outline.

Chairman OWENS. For the record, how does the 37.8 percent of the New York City students who are African-American translate into numbers?

Ms. JOHNSON. Well, let's see. There are roughly about—let's say about one million students now.

Chairman OWENS. We have a total of approximately one million students for New York City. So we're talking about more than a third of those which means we're talking about close to 325,000 or 350,000 students who are African American.

Ms. JOHNSON. Close to between 300,000 and 400,000 African-Americans. That's right. That's correct.

Chairman OWENS. So when you develop a curriculum which makes them have sense of self-worth and increases their sense of self-esteem, you're affecting the lives of more than 325,000 students.

Ms. JOHNSON. That's correct.

Chairman OWENS. Hispanic, 35.3 percent.

Ms. JOHNSON. Correct.

Chairman OWENS. And we're going to do all that with a minimum effort. It was two people. Now we're going to go from two to seven professional and then two or three secretaries.

Ms. JOHNSON. Three secretaries. We do bring in consultants who are experts. For the last curriculum that we were working on we used Dr. Donald Smith who is an expert in African American culture.

Chairman OWENS. I just wanted to get some idea of the numbers we're talking about.

Do you negotiate with publishers? A million students. A million textbooks. Do you allow somebody to negotiate with publishers so you don't have to do all this yourselves?

It seems to me that the Southern schools used to negotiate with publishers so that all the schools throughout the whole country would reflect their attitudes toward the Civil War and the Blacks and so forth. They had that kind of power and they used it. I never could understand why Northern schools and large Black popula-

tions could not affect the way publishers act with respect to the government of their textbooks.

Ms. JOHNSON. Well, that's something that really has to be looked at because New York State does not have statewide adoption as you said like some States in the country. Through the Board of Education, the books are sent and reviewed by a committee and then they go on the NYSTL list which comes out of the Bureau of Supplies here; I think they need to be revisited and new criteria set for the way they are evaluated before they go on that list. And that's what we call in consultants to do because we just don't have the staff presently to do all of that across the system.

Chairman OWENS. Thank you. Mr. Payne.

Mr. PAYNE. I certainly feel that it's extremely important as it was indicated, and I guess if you took a percentage of your three or four people and tried to get a percentage of the New York school budget that is going to have a reflection on the 370,000 students, I guess you couldn't even come up with a percentage that your department reflected in the overall budget, which just shows the lack of concern throughout the country for the needs of African-American students.

And when you cited some of the situations about poor and separate and unequal, you know, the current Commissioner did it in 1968. They said we have two societies, one poor and unequal and the study here in 1988. It's nothing new. We did it in New Jersey under Governor Hughes after we had civil disorder in Newark and we get the same reports. They're put on the shelf and no one does anything about it. And so the same injustices continue.

But I commend you for moving ahead and hopefully you'll complete your goal in 3 years. Hopefully, we will come back and we will see that curriculum completed in those three disciplines. But I wish you the best.

Ms. JOHNSON. Thank you.

Chairman OWENS. Thank you very much, Ms. Johnson.

Ms. JOHNSON. You're welcome.

Chairman OWENS. We would like to submit some additional question in writing within the next 10 days.

Ms. JOHNSON. Fine.

Mr. PAYNE. Mr. Chairman, excuse me. At this time, I'm going to have to leave for another meeting in Washington that I have to attend.

I would like to say I'm sorry, Mr. Law, that I'll be unable to hear you because I'm a fan of yours and appreciate the opportunity to be on your radio in 1988 a lot when I was trying to beat the organization. But keep up the good work.

Chairman OWENS. Well, thank you, Mr. Payne for coming. He has to leave because we have a meeting with the Congressional Black Caucus scheduled with the President today; a meeting which I will have to miss, but I want him to be there.

Mr. Law, can you move that mike over?

Mr. LAW. Can you hear me with that?

STATEMENT OF BOB LAW, DIRECTOR, RESPECT YOURSELF YOUTH ORGANIZATION, MEMBER OF THE BOARD, EDUCATION OF PEOPLE OF AFRICAN ANCESTRY, NEW YORK, NEW YORK

Mr. LAW. First I want to thank you for this opportunity and on behalf of the Respect Yourself Youth Organization and The Board for Education of People of African Ancestry, I have come first to express support for the Education, Research, Development and Dissemination Excellence Act. I believe that a federally guided initiative is necessary to remove the formidable barriers entrenched at the local level that continue to sabotage the education of many African American children.

As the Joint Centers Committee on Policy for Racial Justice has reported, these obstacles include lingering rumors of inferiority that some have called the psychological aspects of the problem, as well as bureaucratic and classroom practices that deny African American children the necessary resources and opportunities to fulfill their potential. I agree even more so with research analyst, Annie Stein, who argues that community demands for improved schooling in New York City have been denied time and time again by institutional racism which includes teacher training based on biased text that support erroneous assumptions about low expectations and Black inadequacies, as well as school policies that suppress parent and community action for meaningful change.

When you consider the high rate of students graduating from the New York City high schools as functional illiterates after 8 years of schooling, we must consider that this does happen as a result of neglect or simple errors in judgment. How is it possible to fail to teach reading to the great majority of any population after 8 years of trying? This is not an accident. This is, in fact, a massive accomplishment. The education conditions in New York City and, indeed, throughout this Nation, can best be described as the result of actual strategies for failure.

It is for this reason that eight schoolchildren have filed a class action law suit against the New York State and New York City public school system, charging that the existing curriculum is biased and discriminatory, having an adverse emotional and psychological effect on African American students and other students of color, and it thereby reinforces the barriers to effective education. The curriculum is also distorted, inaccurate and inadequate to prepare students of any ethnicity to carve out a meaningful life in the twenty-first century.

But don't take my word for it. We are prepared to substantiate our claims. However, New York City's Corporation Council has been diligently moving to deny these children their day in court, thereby preventing the dissemination of much research and information that could lead to effective new strategies and solutions.

It would serve our community well if the Committee on Education and Labor would convene Congressional hearings on the impact of discriminatory curriculum on the educational process and on the children currently trapped in a dysfunctional public school system.

And while I agree that you can, indeed, improve education in the United States by promoting excellence in research, development and the dissemination of information, it is my concern and the concern of my colleagues in the movement for quality education that this Bill, this Act, does not create a new bureaucracy that replicates the dearth of misguided research and literature that currently indicts students and communities for the extraordinary failures of the educational system. In fact, the greatest achievement of the schools has been their ability to place the responsibility for this extraordinary record of failure upon the children, their families and their social condition, even to the point of resurrecting popular notions of Black inferiority.

Social scientists and some professional educators argue that it is heredity or the environment that makes the child of poverty an inferior form of humankind. In arguing that the performance of students has little to do with the schools themselves, a rationale is created for people who are predisposed to a view of Black culture and academic inferiority. They argue it is not the school. It is the children who are at fault. We reject that notion.

In looking at the current educational condition in the public schools, the New World Foundation points to the school failure for African American students as a crisis of inequality. Their report charges that the root cause of this failure is the chronic inequality in the school resources allocated to poor and declining communities. The result, this study notes, is not second class students but "second class schooling."

Eleanor Leacock, in "Teaching and Learning in City Schools" points out that the apathy and lack of motivation in urban classrooms is all too easily ascribed to the students' lack of interest and their home background. When, in fact, it can more accurately be seen as children returning to their teachers exactly what they have been receiving from them.

Furthermore, the real task of any educational system is to teach and thereby enrich and empower the student in spite of the student's social condition. Nonetheless, Black and Latino students in the New York City public schools remain the victims of the myth of cultural deprivation.

As Annie Stein points out, three centuries of racism have already prepared the mind of a teacher to readily believe without question that these children and their home communities are so depraved that they are incapable of learning. Therefore, the very people charged with the responsibility of teaching them do not expect these children to learn and do not act towards them in ways which help them to learn.

Clearly then, the fundamental changes needed in the educational system is teacher training that recognizes and respects the diversity in this society. All educators must be able to perform the basic human act of acceptance, respect and understanding. This is a new attitude and it can be achieved, particularly when the curriculum demands it. Therefore, curriculum remains the essential ingredient to successful schooling.

And in New York City, curriculum is the battleground. Our concern is that somehow the development of meaningful curriculum remains bogged down in an on-going process of review. Educators and administrators all have agreed that the curriculum must be expanded to reflect a fuller understanding of the lives, history and culture of African Americans, as well as other people of color. However, left in the hands of local bureaucrats and stymied by personal and political agendas, this process of curriculum expansion has made absolutely no progress in 25 years.

The obstacles are formidable and they exist within the educational system itself, ranging from racism to incompetence and corruption. Nonetheless, barriers to education can be removed.

We can meet the challenge of ensuring a world class education for all children with a commitment to marshall the full resources of government and community. However, we must proceed without illusion. What is necessary is a fundamental restructuring of the entire educational process which in time can be achieved by an Office of Educational Research and Improvement. If this effort is guided by enlightened educators, like Ms. Johnson, who are free of the bias and distorted assumptions of cultures of poverty and ghetto pathologies, then the training, the mindset, the level of understanding of those who would direct this program is of paramount importance and all of the popular notions of the dysfunctional community must be brushed aside and replaced by a commitment to dramatically improve the educational resources available to poor and African American students and that must also include teachers and administrators.

For as "A Black Appraisal of Public Schooling," published by the Joint Center for Political Studies points out, until more children look into the eyes of educators and see themselves reflected, and until more educators look into the eyes of the children and see themselves reflected, many of our children will forever feel excluded from the educational enterprise.

And as a guide, let me make these final recommendations that characterize effective schooling: Research has identified five central characteristics of schools that successfully educate students: (1) strong administrative leadership, especially a principal and core group of teachers who serve to bring together a consensus around school goals and purposes; (2) a positive climate of expectations that embraces all children; (3) an orderly and disciplined school atmosphere conducive to the academic tasks at hand; (4) a clear focus on pupils' acquisition of skills and knowledge as the fundamental school objective; and (5) frequent monitoring and assessment of pupil performances. These components are rarely found in New York City public schools.

And finally, I have come to offer the assistance of the scholars, educators, researchers, and community activists who make up the Board for the Education of People of African Ancestry. This board stands ready to aid in your effort as outlined in this bill, H.R. 856, "to provide nonpartisan research based leadership to the Nation as it seeks to improve educational opportunities."

Much of the work has already been done. The studies and research have already demonstrated that African American and poor

children learn when schools and society agree to ensure that they do.

I know that more research is necessary and, of course, helpful. But let's not go back to square one. Many are already assembled to lend their profound experience and expertise. Let's take the advice of Adam Powell, Jr., "Use what's already in your hand!"

Thank you.

[The prepared statement of Mr. Law follows:]

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But don't take my word for it. We are prepared to substantiate our claims. However, New York Citys Corporation Council has been deligently moving to deny these children their day in court. Thereby preventing the dissemination of much research and information that could lead to effective new strategies and solutions. It would serve our community well if the Committee on Education and Labor would convene Congressional hearings on the impact of discriminatory curriculum on the educational process and on the children currently trapped in a dysfunctional public school system.

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We reject this notion.

In looking at the current educational condition in the public schools the **New World Foundation** points to school failure for African American students as a crisis of inequality. Their report charges that the root cause of this failure is the chronic inequality in the school resources allocated to poor and declining communities. The result, this study notes, is not second class students but "second class schooling." Eleanor Leacock, in "*Teaching and Learning In City Schools*" points out that the apathy and lack of motivation in urban classrooms is all too easily ascribed to the students lack of interest and their home background. When in fact, it can more accurately be seen as children returning to their teachers exactly what they have been receiving from them.

Furthermore, the real task of any educational system is to teach and thereby enrich and empower the student in spite of the students social condition. Nonetheless, Black and Latino students in the New York City public schools remain the victims of the myth of cultural deprivation. As Annie Stein points out, three centuries of rascism have already prepared the mind of the teacher to readily believe without question that these children and their home communities are so depraved that they are incapable of learning. Therefore, the very people charged with the responsibility of teaching them do not expect these children to learn and do not act towards them in ways which help them to learn. Clearly then among the fundamental changes needed in the educational system is teacher training that recognize and respects the diversity in this society. All educators must be able to perform the basic human act of acceptance, respect and understanding, this new attitude can be achieved, particularly when the curriculum demands it. Therefore, curriculum remains the essential ingredient to successful schooling. And in New York City curriculum is the battleground. Our concern is that somehow the development of meaningful curriculum remains bogged down in an ongoing process of review. Educators and administrators all have agreed that the curriculum must be expanded to reflect a fuller understanding of the lives, history and culture of African Americans as well as other people of color. However, left in the hands of local bureacrats, and stymied by personal and political agendas, this process of curriculum expansion has made absolutely no progress in 25 years.

The obstacles are formiable and they exist within the educational system itself, ranging from racism to incompetence and corruption. Nonetheless, barriers to education can be removed. We can meet the challenge of ensuring a world- class education for all children with a commitment to marshall the full resources of government and community. However we must proceed without illusion. What is necessary is a fundamental restructuring of the entire educational process, which in time can be achieved by an office of educational research and improvement. If this effort is guided by enlightened educators who are free of the bias and distorted assumptions of cultures of poverty and ghetto pathologies, then the training, the mind set, the level of understanding of those who would direct this program is of paramount importance and all of the popular notions of the dysfunctional community must be brushed aside and replaced by a commitment to dramatically improve the educational resources available to poor and African American students and that must also include teachers and administrators. For as **A Black Appraisal Of Public Schooling**, published by the Joint Center For Political Studies points out until more children look into the eyes of educators and see themselves reflected, and until more educators look into the eyes of the children and see themselves reflected, many of our children will forever feel excluded from the educational enterprise.

As a guide, let me make these final recommendations that characterize effective schooling. The research has identified five central characteristics of schools that successfully educate students. **(1)** strong administrative leadership, especially a principal and a core group of teachers who serve to bring together a consensus around school goals and purposes. **(2)** a positive climate of expectations that embraces all children. **(3)** an orderly and disciplined school atmosphere conducive to the academic tasks at hand. **(4)** a clear focus on pupils' acquisition of skills and knowledge as the fundamental school objective. **(5)** frequent monitoring and assessment of pupil performance. These components are rarely found in New York City public schools.

And finally, I have come to offer the assistance of the scholars, educators, researchers and community activist who make up the Board For The Education Of People Of African Ancestry. this board stands ready to aid in your effort as outlined in this bill HR856" to provide nonpartisan research based leadership to the nation as it seeks to improve educational opportunities." Much of the work has already been done. The studys and research have already demonstrated that African American and poor children learn when schools and society agree to ensure that they do.

I know that more research is necessary and, of course, helpful. But lets not go back to square one. Many are already assembled to lend their profound experience and expertise. Let's take the advice of Adam Clayton Powell Jr.. Use what's already in your hand!

I Respect You.

Chairman OWENS. Thank you, Mr. Law.

We will proceed with the next witness and then have questions of both of you.

Again, we are quite pleased to have the Honorable Adelaide Sanford who is here despite the fact that she had an automobile accident and finds it a little difficult getting around. We certainly appreciate your presence here.

Ms. SANFORD. Thank you.

Chairman OWENS. Ms. Sanford.

STATEMENT OF ADELAIDE SANFORD, NEW YORK STATE REGENTS, NEW YORK STATE BOARD OF REGENTS, ALBANY, NEW YORK

Ms. SANFORD. I'm delighted to testify at this hearing on the Reauthorization of the Office of Educational Research and Improvement. In particular, I am encouraged by the proposed National Institute for the Education of At-Risk Students, or as I prefer to say, and I feel more historically accurate, Students Placed At Risk by Society.

I would like to use my time to talk about the voids that exist in the national educational arena that this Institute as proposed in your legislation would fill.

First, research in our current institutions of higher learning and in privately funded facilities has not led toward improvement in learning and the quality of life for pupils under discussion. Research has had a life and meaning of its own and did not lead toward improvement.

There are several reasons for this failure to segue from research to improvement. One reason is that in education relevant research does not drive the development of educational policy.

Data specifically focused on the education of ethnic groups who are traditionally underserved and ignored, data such as the documents, "Saving the African American Child," commissioned by the National Alliance of Black School Educators; "Dropping Out of School in New York State: Invisible People of Color," commissioned by Deputy Speaker Arthur Eves's office; "Visions of a Better Way," coming from the Policy Institute in Washington; and "The Testing of the African American Child," by Dr. Asa Hillard, all are ignored.

The New York City Board of Education has had data on African Americans and African contributions in history since 1963 when John Hope Franklin edited the first document on the history of people of African Ancestry in America.

Even research conducted in major institutions and universities such as the conclusions of Howard Gardner who is a Harvard researcher in his book, "Frames of Mind," and Jonathan Kozol's "Death at an Early Age," and his more recent "Savage Inequalities," the Kerner Report and Andrew Hacker's "Two Nations" with its potent educational implications, is ignored by policymakers.

Therefore, these documents failed to drive the development of educational policy. So that the existence of an institution that

deals with the development of policy toward improvement for children placed at risk by society would fill a very needed void.

On the other hand, the remarkable detailed document called, "A Curriculum of Inclusion," which is a clear and eloquent decision request for curriculum replacement, is found caustic, not by a large number of people, gentlemen, but by a few individuals who had no way established their expertise in this discipline. And I want to emphasis that. The critics of this document had no expertise in this discipline, nor did they have any prior history of involvement in the improvement of education for the underserved. Therefore, I feel that what they had to say was irrelevant.

However, the review of this document moved from a reason analysis to a vivid replication of that which the opponents declared unacceptable. For example, name calling and ethnic defense. No alternative recommendations were made in reference to curriculum modification or the improvement of teaching and learning for pupils placed at risk by society.

The research taught improvement modality around the issue of the curriculum of inclusion was abandoned. Prior patterns of approved research techniques and content have been stultified in academia at the expense of fresh innovative efforts that probe and formulate creative modalities for the improvement of the education of children who are underserved. These scholars are discouraged even in their emergent stages and their research is being labelled as not universal in scope and failing to meet prior parameters. These parameters were established by the very systems that have failed our children and these parameters have been established by systems for whom the value and relevance of the students under question has not been recognized and established.

Our young scholars on the college campuses are frustrated and stymied in their potent, vigorous efforts toward innovation because they cannot get tenure and they cannot publish using the data that is relevant to the children under question.

Tenets established by recalcitrant academy, conservative think tanks, heavily funded institutions and consortiums provide opportunities, presences, and voices geared to maintain the power and control of existing systems are geared to criticize, demean and demonize other voices—the voices of scholars, researchers, academics, and people of color in higher education whose credentials are beyond question and whose educational efforts have been successful with these children.

Questions are raised about their findings. They are discomforting to those in positions that disburse funds and favors. No one has said they are inaccurate. They are discomforting.

This makes the existence of the National Institute so essential to the future of the development of meaningful, salient policy of educational reform based on research that leads to improvement and not simply the proliferation of data and statistics.

The schools of the State of New York have asked for curriculum replacement; not an add on, but total replacement of curriculum. The 1987 revisions originally omitted the entire continent of Africa and when pressure was brought to include them, Egypt and its contributions were placed in the Middle East.

This task force was commissioned because of school failure. That is the reason why the task force for the curriculum of inclusion was developed. They said universally without ever meeting, unanimity in the opinion, that the existing curriculum is distortive and omissive, marginalizing the four groups of children who are failing in this system.

Now the credentials and validation of academic and ethnic communities has never been questioned not even by the small group of passionate opponents. Their oppositional statements were self-serving in that they were defensive and they were ethnically focused on curriculum which enhanced one group of students to the detriment of the other students. And the group that it enhanced is decreasing in our school population. The groups that it demeaned are increasing. But the words of these opponents never addressed the issue. They were deliberately and specifically able to ignore the underachievement of these four groups.

Without a Federal mandate that validates the reports that have been discussed before, an Institute that provides a forum for its analysis by relevant scholars, practitioners, and policymakers on Federal, State, city and local levels, improvement for these children at risk will continue. There was no national, State, or city forum to discuss documents such as "Visions of a Better Way," "Savage Inequalities," "Curriculum of Inclusion."

The richly funded institutions provided an audience for the opponents but they did not provide an audience for the supporters. The National Institute could involve and provide the following mechanisms of support: First, they could establish a research agenda which would validate the exercise of our young scholars on college campuses to search out and experiment with novel approaches.

The Institute could develop criteria for the expertise in background and prior interest of those whose opinions undercut policy development. Some conservative, reactionary people must be viewed as irrelevant. The achievers in the field of the development of programs for the underserved must be heard, validated and their findings and works must be highlighted, recognized and replicated.

Groups that have distinguished themselves through non self-serving research organizations and constructive analysis must be viewed as the core, such as the Institute for Policy Development, such as the Board for the Education of People of African Ancestry, such as the Association for the Study of Classical African Civilizations. These groups can be identified and classified so that they can be used to analyze issues for children placed at risk by their own groups and not by others.

This is one of the reasons that the whole issue of multiculturalism must be clarified. The word multiculturalism was substituted for the phrase racial/ethnic/cultural diversity because multiculturalism has no political teeth. You can take Europe and have a multicultural curriculum. It would not be multiracial. It would not be multiethnic.

But those people who are in control of the textbook industry wish to continue to be in control. They say multicultural. They feel they can write the history of all people. But in the issue of diversity, as defined by the people who are self-defining, they are saying that each group must write its own history.

Successful schools and successful programs in elementary, middle and high schools as judged by standards of identification such as a cultural emphasis, continuity of success; institutionalization of programs; of self-definition and self-direction, include Science Skills Center in Brooklyn; the Advocacy Institute in Lexington, Massachusetts; the Hawk Program in Los Angles, California; successful independent schools such as the Marcus Garvey School in Los Angeles; Dr. Abul Muhammed with his emphasis at Clark Atlanta which has produced 60 percent of all the PhD's in math in the United States of America; the Feuerstein Model which takes children out of special education and brings them to standards of excellence; and the Bob Moses Model for the algebra initiative. These are the kinds of people and programs that we want to hear from, not those who would demean our people.

Governing boards, such as the Board of Regents upon which I serve, have a very limited information base. The Institute for the Education of At-Risk Students could improve that. For example, the information base is the Commissioner, the Chancellor, the staff, the superintendent, the paid lobbyists and the people who volunteer to serve on task forces which they then control. People who are deemed to be distinguished by the power structure. There is no body of national research that constitutes an undeniable base upon which State boards and city boards can develop policy. This Institute, as anticipated, could fill this void.

Standards for the development of this replacement curriculum must be established. I submit that each group must write its own history. We cannot assume that you can bring in a person who is called a scholar from a group that has been the historical oppressor and have that person write your history.

In addition to that, no other group has been asked to accept their history written by others, particularly by the group that has been their oppressor.

I want to also add here that when we talk about children placed at risk or when we even talk about multiculturalism we cannot assume that every ethnic and cultural group in this country has the same kind of historical background. There's only one group in this country whose land was stolen. There's only one group in this country who were chattel slaves, whose language, customs, religion were taken away. There's only one group that cannot go home.

Take for example children from the South Pacific. Yes, they need support, but they came to America with their history in place. They know where home is. They have their language. They have their religion.

So we cannot assume that the difficulty faced by all ethnic groups in curriculum is the same. It is not the same!

Children of African ancestry are the only children whose language, name, culture, art, music, value system, even the location of their specific village, are eternally lost by the laws of this country.

Finally, calling accountability conferences for boards of education on the State level and on the city level in terms of how they have responded to the issues of children placed at risk by society would be a vital part of the function of the National Institute.

At this time, no State, city or local board is ever held accountable in the public for their failure to implement, regulate, and monitor policies for the development of the improvement of education.

I very much appreciate this opportunity. I regret that because of the accident I was not able to get my testimony typed and prepared but I am willing to do that and I am willing to answer any questions that you may have.

Chairman OWENS. Thank you very much. We very much appreciate your testimony and we will consider it an honor to take it in writing. We will have it typed if you would want to submit it that way. It is probably the most graphic statement about what the Institute could do that we've gotten on record so far, and as the originator of the idea, you've expressed it far better than I could have imagined it.

The danger is, as Mr. Law pointed out, it will become just another bureaucracy if we don't have that kind of charge and supply of mandates and have some way to enforce that kind of procedure and structure of the staffing pattern. A number of things will have to occur to make that happen.

One of the problems that concerns me a great deal is that although Americans in general say education is one of the most important items, that it's high priority for attention of the Federal Government or for all governments, and among African-Americans, that it's always rated as high priority, you would not know that from the way the members of Congress behave. You would not know that from the way the new members came in. We now have 39 African-American members of Congress. Thirty-nine members in the House of Representatives and one Senator makes forty. None of them wanted to serve on the Education and Labor Committee. One reluctantly took the seat after he couldn't get his other choice. And so we have one new member, an African American, on the Education and Labor Committee.

One way to keep the Institute from becoming just another bureaucracy with a set of jobs for people who become parasites and become part of the problem is to have officials who make sure it doesn't happen and ride herd on it on an oversight basis.

We also have numerous officials at the State level who would swear that education is a number one priority; yet, many of the evils that were mentioned by the previous panel are directly under the control of the State government where the State legislature keeps passing laws that help to promote some of those evils.

The interrelationship between these two panels is very interesting. The first one talked about money—millions and millions of dollars—being swindled away from the children on a routine, systematic basis by people who are still in control of the system. So, it's certainly no accident that the system is controlled for the benefit of other people and often spends a large part of its money totally unconcerned with education.

And then you get to the panel on education and the Deputy Chancellor starts talking about the meager effort, because of the resources available to her, devoted to developing the multicultural curriculum. Seven people from three people; and that's a great deal of progress. They moved from nothing to two to that. It's quite evident that education does not have high priority.

Ms. SANFORD. That's right.

Chairman OWENS. We have power. We have more Black elected officials in New York City, New York State, and at the Federal level than ever before and we cannot pass this off on someone else. We have to accept the blame and the lack of immediate attention. Some sense of urgency about education must be infused among our elected officials.

We're grateful for people like Mr. Law, totally on the outside and not an elected official or connected with the system, who has kept up the crusade.

And we're quite fortunate to have Ms. Sanford. I want to congratulate you on your re-election.

Ms. SANFORD. Thank you.

Chairman OWENS. There were some people who would very much like it had Ms. Sanford not been elected. Ms. Sanford, is there as a result of the power of elected officials. If I'm criticizing anyone, I want to make sure you understand. She was nominated by Brooklyn elected officials. As a result, there was some attempt to start a countermovement and get her out. And, of course, that was counterattacked. The members of the legislation counterattacked and dealt with that.

So much is being done but only a tiny percentage of what we should be doing and must be doing at the elected official level.

And of course, I'm very interested in your court case, Mr. Law. Often court cases prod and push elected officials into doing what's right and doing what they ought to be doing all the time. What is the status of the court case right now?

Mr. LAW. As I said, the City's Corporation Council challenges each initiative to have the case denied or the suit thrown out of court. And so we continue to struggle. We filed. They filed. We filed again as to why it should be considered.

And the judge, who is Kimba Wood, has been sitting on it for a long time and reading it over and over and over. Although the most recent ruling was in favor of both us and the Board of Education. In that ruling she said, "I can't accept it precisely the way you have submitted it but there are a number of other ways that you can point to some other violations and I can perhaps accept it then." So it's never been thrown out of court.

We have tried for a consent decree that the President of the Board and the Chancellor said they agreed with but were not able to convince other members of the Board. However, other members of the Board say that the Chancellor and the President never presented it to them. So that there's a constant double deal and doublecross that goes on in our effort to push it forward.

But right now it is still alive and the judge still has it and is deciding how to rule on the latest challenges.

Chairman OWENS. For the benefit of the record, I would like to point out the fact that Mr. Law is bringing a court suit in the City of New York to try to force a new approach to the curriculum of inclusion and to establish some definite timetables and move the process in a realistic way.

In this City, we had a court case related to special education which resulted in a consent decree of the kind to which Mr. Law has just referred. That consent decree has been a driving force in

reforms in special education. It might have even led to some new abuses. The power of a consent decree with a judge who really wants to make it meaningful is considerable.

If you could get a consent decree, it would go a long way in moving this forward. I do wish you success. We're quite interested in the case because we see that it could help accomplish a breakthrough in the City that has the largest population of Black students in the country. That breakthrough would be very meaningful for African-American students all across the country.

A few more questions for both of you. I'm not clear on the relationship between the State and the City. The State Commissioner took one initiative. He appointed a small group to look at the curriculum and then he appointed a larger group. How much does that report that you mentioned—what is it called?

Ms. SANFORD. The Curriculum of Inclusion.

Chairman OWENS. The Curriculum of Inclusion Report. How much help does that give localities like New York City? How much substance is there for them to work with?

Ms. SANFORD. Well, it's a good framework for them to build on. However, while the Board of Regents never voted to accept that document, it did lay the groundwork for the——

Chairman OWENS. Oh, that's part of the problem. It wasn't ever accepted.

Ms. SANFORD. It was never presented for a vote to the Board of Regents.

Chairman OWENS. I see.

Ms. SANFORD. Because of the power of a very small number of people who told the members of the Board of Regents that this document would create discomfort, anti-Semitism, and other feelings that they did not want to bring up. So they put it down. It became not an issue of whether this document is going to help children, but an issue of whether this document is personally insulting to groups within the State. So the document was set aside.

However, we were able to move the Board to vote positively on having all subjects reviewed and having curriculum modified. And that process is going on.

However, the people who are reviewing it are no longer the people from the four omitted groups. On these committees who are revising art and math and music and science and social studies, the majority are people from the dominant group. That's an important distinction because what will come out of that group is the result of their own background and security rather than what constitutes the truth to people who feel that they have been omitted.

Now that's a process that will take maybe 4 or 5 years. But whatever comes out of the State will be the basis for testing and that's the importance of pushing for the change in State curricula and syllabi. All examinations, Regents, Preliminary Competency Tests, all tests for promotion, will be based on that State curricula when it is available.

Chairman OWENS. Is this an action of the Commissioner now?

Ms. SANFORD. This is an action of the Board. You see, the Commissioner only can bring to the Board his desire. We must agree that it go forward.

Chairman OWENS. But the Commissioner appointed the people who are doing it?

Ms. SANFORD. The Commissioner appointed them with the consent of the Board. He appointed the people who are looking at all of those curriculum areas.

You see, one of the issues is that once you have scholars like Asa Hillard, like Dr. Clark, like Joyce King, people from all over this country who are our scholars and you have their faces put in a book by Arthur Schlesinger called, "The Disuniting of America," and that book goes free all over the country by Federal Express, those people will never be able to serve on a committee again. That's why it's done. It's done to keep them from being used by the power structure and it's done to keep them from getting funding.

So where do you now pull forth a new group of people who can serve on these committees? That book says don't ever use these people. That's the reason for it.

So we have to find a whole new crop of people and our young scholars who are in our institutions today, like Malife Asante at Temple who has the only PhD program in Black Studies, are marvelous young scholars but they can't get their work published. And if they can't get their work published, they can't get tenure. If they can't get tenure, they don't have a job.

And I looked at the first panel where all the money is. All of European background. They're going to see that it stays that way. If a person spends 15 years coming through school and can't get tenure, their research doesn't get into the mainstream.

Here is a man who is on the Committee on Social Studies, didn't come to more than two meetings and before the report comes out his book comes out. That's unethical. But no one exposes that.

The Institute could say that but who else is there to say that? I say it and it means that I suffer because I say it. But I think that's the only way that people will know the reason for the publication of that book. It was not about the four omitted groups. A Curriculum of Inclusion is about the Native American, the indigenous Americans, Hispanics, Latinos and African Americans. The whole book, "The Disuniting of America," was only about African Americans. It was just that pointed. So how can you say you're talking about A Curriculum of Inclusion, which covers four groups and you only speak and identify one group of people?

But that book served to wipe out the possibility of any of those outstandingly, unquestionably prepared people who are achievers in the education of children of African ancestry being used by the Board of Regents or any other institution as a researcher or a scholar.

Chairman OWENS. Mr. Law, what was your——

Mr. LAW. I just wanted to add a comment about the Curriculum of Inclusion that Dr. Johnson is referring to in terms of its use as a guide, we are told by the local Board of Education, here in New York City. It is still being dismissed entirely by the State Education Commissioner and he has still not presented it to the Regents.

And keep in mind that while Diane Ravitch rejected it, she was not the only person at consultant level who looked at it. Other people—Asa Hillard—looked at the same report and did not reject it. It was the choice of this Commissioner Sobol to accept the rejec-

tion from Diane Ravitch who then recruited Arthur Schlesinger who had no earned degree and whose real claim to fame is that his diary was published when he worked for John Kennedy. He simply published his diaries and he then became a historian. But, he has no credentials that even compare to the credential of——

Chairman OWENS. Yes, most people don't know that Arthur Schlesinger does not have his doctorate degree.

Mr. LAW. Doesn't have a degree, has done no research, and simply published his memoirs of the Kennedy years. But the point is, and here's our concern which, as Regent Sanford has said, is critical: Even the materials that are being developed by the local Board of Education here in New York City, which claims to be following the guidelines of "The Curriculum of Inclusion" report, are flawed and distorted and don't appear to be following those guidelines.

We get samples of their proposed materials as well. What they do now is mention names that have never been mentioned before. So they will mention Booker T. Washington, but they will say Booker T. Washington is a man who helped Black people get better jobs. And they will mention Tuskegee Institute and say it is a school to which a lot of Black people attended.

I mean there's one photograph in the proposed materials of George Washington Carver teaching a class and the caption does not even identify George Washington Carver, nor is he mentioned anywhere in the text because the woman who did it didn't recognize George Washington Carver; does not come from his kith and kin.

There's a textbook that says that colonialism was not all bad. That one of the good things about colonialism was that it gave to the French and Portuguese—or the Spanish and the Portuguese gave to their Latin American possessions a sense of beauty, culture, religion and language. That's one of the good things of colonialism. And there's a lot more.

But these are the materials that are being used and are being developed for use by the Board of Education here in New York City. We really disagree with the way that this Chancellor defines multiculture. As Regent Sanford points out, it does not speak to ethnicity or diversity at all. It is a whole—he has concocted another definition of multiculture and we reject that definition as well. But our experience with the President of the Board and the Chancellor really does not give us any sense of confidence that either of them is seriously committed to improving the quality of curriculum or education generally in New York City.

Chairman OWENS. Do you think the Board of Education's mandate is just a word? There's no serious effort behind the mandate?

Mr. LAW. Yes, I think it's consistent with the kind of lip service that the Board of Education has historically given to curriculum change.

About 2 years ago—I don't have the date in front of me—a group of Italian educators looked at the high dropout rate among Italian American students. They have the third highest dropout rate in the State. And when they looked at that, they convened a conference that was chaired by Matilda Cuomo, the Governor's wife.

In that conference they concluded that the way that Italians were stereotypically characterized in curriculum as being gangsters, entertainers, physical and that's all, was demeaning to Italian-American students. They also said that without self-esteem you cannot do well in life or in school.

As a result, they called for a new curriculum to address the low sense of self-esteem that Italian American students suffer from. And in the same year, with $70,000 from the Italian government, they instituted in New York City public schools the Italian American Heritage Curriculum. In the same year that Matilda Cuomo's committee called for a new curriculum, without passing by the Board of Regents, without any public discussion, without allowing Diane Ravitch to scrutinize it, it is already being implemented.

Where African-Americans are concerned, there has to be a committee or a study that is scrutinized by everyone and then another committee appointed which is reflective of everyone in order to develop a curriculum that will address the needs of African American students.

And finally in the new social studies text, one of our favorite examples is a section that looks at how each group has worked to benefit itself, worked in its own interest. It looks at Asians; it looks at Italians; it looks at African-Americans. There were four ethnic groups.

When it gets to the section on African-Americans and self-help, the text deals with an African-American and a White woman from Brooklyn and the text says that African-Americans were aided in their struggle by Whites.

Then it has a statement written by the White woman from Brooklyn and the homework assignment is to develop a response to the White woman's statement. Although there is a statement written by a Black woman as part of that same text, the homework assignment ignores the Black woman even in the section on Black self-determination and instead focuses on how a White woman helped Blacks to help themselves.

And this was developed with the new committee and under this Commissioner. This is one of our reasons for concern.

Chairman OWENS. It would be highly desirable if even an Institute of the Federal Government could be presented, if you had the resources to present them, with what you said the Italians have put together; to confront them with a curriculum that's been developed by the kind of expertise that you mentioned.

Ms. SANFORD. But there are several, Major Owens: the Holocaust Curriculum, the Curriculum on Italian-Americans, the Iberio Curriculum that are being developed by the State.

But the State will answer that those are add-ons. They may be add-ons but they will probably become inculcated into the multicultural piece even though there has been no scrutiny by the Board of Regents and no external group has been involved in determining whether what they have written is true.

Chairman OWENS. If we were to undertake that for African-Americans, are there any examples that form a good basis for beginning?

The Portland effort was highly publicized and then torn apart. Now they say they have a good effort in Omaha, Nebraska, of all

places. And of course, we know the California model which was highly praised. The African-American community in Oakland and some others did not think it was such a great curriculum.

Are there any embryos out there around which such a thing could move forward at this point; embryos that have widespread approval and concurrence among African-American scholars?

Ms. SANFORD. I would say that even the Portland model had widespread concurrence among African-American scholars. Until the historical oppressor found someone who is dark in skin to say, "No, this is not good."

But I think if the Institute could establish the criterion as being people who have been successful in raising the academic achievement of African American students, you'd rule out a whole category of people who have been critics. They could be identified clearly as being irrelevant. Then I think there are several models out there that could readily be accepted by the people who are the achievers in the field.

But it is because no standard has been established regarding who has the right to look at this and decide that it's no good. Therefore, everybody gets on the bandwagon even if they have never had expertise, background, or experience as a practitioner in that arena. And that's why I think the criterion standard is so important.

Chairman OWENS. Mr. Law, do I understand that you have no quarrel with the State report, "The Curriculum of Inclusion?" Your problem was that the City has not, in fleshing out their curriculum, are really not following that report?

Mr. LAW. No, we have no problem at all. The lawsuit is in support of the recommendations made in "The Curriculum of Inclusion." We don't challenge what they have said at all. We fully support that.

The State is not using it and the local board here in New York City is not really using it. Although they have been in touch with Edwina Johnson through our initiative, that is not "The Curriculum of Inclusion."

And I just wanted to add that the Portland report does have the approval of educators, scholars, and activists all over the country. It's just another group of people who have challenged it.

But, again, keep in mind, they have never either challenged or even been able to prove that there are any inaccuracies in any of the reports. What they have simply said is that they are uncomfortable with it and have suggested that it would make other people uncomfortable as well. And based on that opposition, only those reports have been brushed aside. But no one has ever proven or been able to factually discredit the Portland report, nor any other, including the recommendations made in "The Curriculum of Inclusion."

Diane Ravitch and Arthur Schlesinger have not been able to challenge any of those things as being insufficient. Ms. Ravitch has said that we are calling for ethnic cheerleading but has not been able to say that we are not entitled to ethnic cheerleading. She has just simply disapproved of it.

And one argument people make is that if you develop a sense of self-esteem, it will not necessarily improve the grade level of the students. This is a whole new thought in terms of self-esteem.

Chairman OWENS. Well, that runs contrary to everything they've ever said in educational psychology.

Mr. LAW. Absolutely. However, self-esteem and the guarantee of improving the grade level is not our core argument. I believe that a sense of self-esteem will make a significant difference.

Our core argument, however, is that the students are entitled to a curriculum free of bias and distortion. And then whatever they achieve is on them. But, they must at least have a curriculum free of bias and distortion which they currently do not have.

Chairman OWENS. On the question of textbooks, is the system rigged deliberately to be weak on bargaining?

Ms. SANFORD. Well, the textbook industry is a monopoly that's totally controlled by European people. Even when you think you're looking at five textbook companies, you're looking at one with subsets of that same company.

I think that in Pittsburgh, when Barbara was the head of the Review Committee and her late husband was on the City Council, they simply said to the textbook companies, "We're not buying any more of these books until they're improved," and they improved within 6 months because the textbook companies are there to make money.

If they can successfully continue to sell textbooks that are distorted, they will do that. But once they know that they will not continue to be bought if they are not correct, they will change. There has been no approach to textbook companies on the part of the State or the City to get them to improve the content of their material.

There are some companies, like Globe Books, which do supplementary books. At one time, they had a president of African ancestry who did some outstanding things, like "The American Tapestry" which is a history of people of African ancestry. Those are supplementary books. But the textbook industry is a monopoly.

Chairman OWENS. Is New York City's ability to bargain with the textbook industry as weak as they say it is?

Ms. SANFORD. No, it's not weak at all.

Chairman OWENS. Ms. Johnson said what many people have said before: We don't really have a central selection process.

Ms. SANFORD. Well, they don't have a central process but they do have a list that you have to get on to be approved.

Chairman OWENS. Precisely.

Ms. SANFORD. So they don't buy textbooks for the whole State. However, they have the ability to see that the books that are on the textbook list are fair and just.

But you will find that many of the textbook companies hire the people who have retired from Central Board. I know of at least three people at Central Board.

Chairman OWENS. I know of one outstanding example.

Ms. SANFORD. Who was the head of Multicultural Education and sat on these very reports about which Mr. Law speaks. She went from the Board of Education upon retirement to a top-notch job in a major publishing company.

Mr. LAW. Coincidence.

Ms. SANFORD. So you have an incestuous relationship of control.

Chairman OWENS. Just one final question on the Rainbow Curriculum. Is the portion of the curriculum which is supposed to address multicultural education acceptable in your opinion?

Ms. SANFORD. I would like to speak to that if I might.

It is very important to teach children not to hate. But you teach children not to hate by children's experiences. You tell them that you don't laugh at children whose noses are bigger than yours or whose lips are thicker or whose hair is not curly or who happens to be crippled or whose in wheelchair or who wears eyeglasses. But you don't teach children not to hate by talking about the sexual behavior of their parents.

The issue of sexuality belongs in a curriculum on human sexuality and family living. Lifestyle is not a culture.

Why tell children that if they see two women, they may be lesbians? In the culture of my people, it's probably a mother and daughter. Why bring that idea into the head of a child? I think it's inappropriate and unacceptable.

Chairman OWENS. Do you think, as Mr. Law commented before, that the purpose of the multicultural curriculum is to teach tolerance? I thought that for generations social studies has been attempting to teach tolerance. It appears that the overriding purpose of the Rainbow Curriculum is to teach tolerance and that seems to be a slightly different agenda.

Ms. SANFORD. It is different.

Chairman OWENS. Although we want tolerance to be a byproduct, it's a slightly different agenda than we perceive for the multicultural curriculum.

Ms. SANFORD. Tolerance is not an issue in culture. Culture should tell the truth about the heritage and the history of the people being discussed.

When you tell the truth about those people, it doesn't matter whether you have respect for them. What is important is that they have respect for themselves because that will affect their behavior.

But the point in curriculum, I think, is that you work with children on their level. And I don't know of any crimes in the kindergarten around the sexual behavior of parents. But I know a lot of crimes in Bensonhurst and Howard Beach on racial hate.

Chairman OWENS. Mr. Law.

Mr. LAW. I agree wholeheartedly with Regent Sanford. As I said earlier, we disagree with how the Chancellor has defined multiculturalism; the function of multiculturalism is to teach tolerance; that's the primary function as the Chancellor defines it and we don't agree with that. As you say, the byproduct, tolerance will come.

He defines multiculturalism as a curriculum that addresses people who have particular challenges and handicaps. When you study African-American or African history, for instance, African culture is to be examined within the context of a people who have a particular handicap. They are like people who have lost a limb. They are like people who have a particular challenge. And so we have rejected that notion of multiculturalism.

I think that Regent Sanford's explanation on how children are taught reflects her expertise as an educator which is why she has to be involved in this process. The point is that educators know

better approaches than the one that this Chancellor has used. His approach effectively sabotages the effort for broader curriculum expansion. He either did it deliberately or he is incompetent, neither of which is acceptable.

Educators know better than to have offered the Rainbow Curriculum in the provocative manner that it was offered. I believe he did it deliberately. The original committee—there was a committee that he brought to meet with us at the Abyssinian Baptist Church which made up his Committee for Multicultural Curriculum. That committee was fired by the Chancellor who said that they were taking too long to develop curriculum.

Further research indicates that they were fired because they disagreed with how the Chancellor wanted to define multiculturalism. Their position was more consistent with ours. And so he fired them while saying that he is really trying to produce the kind of materials that we want. I mean I believe that he is either incompetent or deliberately sabotaging the process.

Chairman OWENS. The Federal Government has no great record in this area. When the Office of Educational Research and Improvement was originally established, its primary mission was to assist in the education of poor children.

As small as it is compared to other bureaucracies in the government, it is still a formidable apparatus. Yet, it has not produced any significant change in this area. An area which cries out for need has been ignored when the scholars and the bureaucrats were left on their own.

So we have a great deal to do in this area. This legislation was passed by the House of Representatives last year. There was no question of the Institute at that time. However, the Senate did not pass it.

Now we are faced with having to pass it again this year. And there's a new set of people, although this present administration is in many ways very progressive, we're having difficulties receiving communications on what the priorities are with respect to education. That's one of the blind spots it seems, gaps, in the forward movement of the present administration.

But your testimony today will help a great deal and we intend to move the agenda forward. We appreciate your being here. Thank you very much.

Mr. LAW. Thank you.

Chairman OWENS. The meeting of the subcommittee is now adjourned.

[Whereupon, at 1:20 p.m., the subcommittee adjourned.]

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